



Association Bulletin

Official Publication of the Wrigley Association

May 17 2007

Special bulletin on pressing Wrigley Association issues

Current Board of Directors

President,
Alan Tolkoff

Vice President,
David Carlton

Treasurer,
Annie Greenfeld-Wisner

Secretary,
Chris Graeber

Sergeant-at-Arms,
Maria Norvell

Parliamentarian,
Gavin Mc Kiernan

Members,
Danny Amat
Kelly Haas
Jill Hill
Colleen McDonald
Nancy Risch

The Future of the Wrigley Association By President Alan Tolkoff

Our recent association general meeting on May 7th centered around the future of the Wrigley Association. Many members and former members took the time to comment on what they saw as the most important things for the association to focus on going forward. Our next meeting will be our elections on June 4th where you can decide the future of the organization again via the ballot box. Anyone wishing to vote must come to that meeting prepared to renew their membership and pay \$15 per household. There will be information about that election along with statements from those who are running in our next newsletter, which you will receive in your mailbox the week before the meeting.

There were many ideas and opinions supported at our May 7th meeting. Some of the chief concerns of those who spoke:

- Working to eliminate gangs
- Ending the constant cycle of graffiti in our neighborhood
- Working with businesses to improve the two major business corridors
- Working with the city to recruit new businesses
- Maintaining the Christmas Tree Lane Parade and events
- Air quality from the port and 710 Freeway
- Creating more opportunities for youth via recreation and job creation.
- Voter registration and participation
- Zoning and Code enforcement issues

Board Update:

In March, Joan Greenwood resigned her position on the board. Pursuant to our bylaws, this position was taken by Colleen McDonald, who was the member with the most votes in the last election who was not elected.

Unfortunately, there were many misperceptions. Misinformation was presented that must be clarified. In that vein, page two is a list of factual statements.

Lastly, as President, I am unhappy that our association has been compelled to hire lawyers. Your dues and donations are paying for legal counsel. Our lawyer informed us that former board member, Joan Greenwood, and at least two current board members, Maria Norvell and Jill Hill, have hired their own attorney to fight a decision made by your elected board of directors. In order to protect the Association, the board voted to hire the law firm which so ably defended us against the baseless "Showtime" lawsuit. We appreciate the counsel of Pamela Swindells and the fact that her firm has reduced its normal fees to do work for us.

Wrigley Association Facts

By David Carlton

The Board of Directors of a public benefit corporation or any corporation for that matter, owes a fiduciary duty to the organization and its members. The main role of the board is to act as caretaker of the charitable assets. Corporation boards manage the day-to-day business, vote on various items with certain exceptions, and are responsible for their decisions.

Being a board member is not merely an honorary position. When a member agrees to serve on the board he or she is accepting responsibility for the funds donors have contributed. Further, a board member must act in good faith, in a manner that he or she believes to be in the best interest of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

Consequently, the board has many issues to consider in the management of this corporation. Included in these issues are, of course, the bylaws and Christmas Tree Lane.

The Annual Christmas Tree Lane Parade is a city of Long Beach run event. The Wrigley Association has no official capacity in planning that event and can not cancel or modify it in any way whatsoever.

In 2004 the Board instructed Maria Norvell to research local non-profits with 501(c)3 status that might be used to receive and dispense funds that are donated to the Association toward preserving and improving the Christmas Tree Lane events. A statement from the Treasurer on the back page discusses this in detail.

The lights that normally adorn the trees along Daisy in December were not installed last year due to the city not budgeting money for that project. The Wrigley Association officially protested this decision to no avail. For years, the City has been reducing Christmas Tree Lane funding and backing away from Lane liability as it has with other similar events like the Belmont Shore Holiday Parade.

The Board of the Wrigley Association passed the following motion at its March board meeting Making the Christmas Tree Lane Committee a separate legal entity from the Wrigley Association. In its judgment, there are prudent financial, organizational and legal reasons to take this step.

The Wrigley Association will separate itself from Christmas Tree Lane. CTL can form itself in whatever organizational format it deems best for itself. All monies controlled by the CTL committee would go to the new CTL organization. The two organizations, in recognition of the historic connection would agree to work closely together but as legally separate entities.

A few days after this vote, you were mailed something that looked exactly like a Wrigley Association newsletter. It was not. You were deceived. It was an opinion piece presented as fact, published and distributed by Joan Greenwood. She had no proper authorization to use the Association mailing list. The Association has never allowed anyone, for any cause to use the Association mailing list. Mrs. Greenwood, along with Jill Hill and Maria Norvell, then hired a lawyer who they instructed to again breach this trust and invaded your privacy by having him send out mail to your home full of counter factual statements. The majority of the Board asked for mediation to seek a resolution to our Christmas Tree Lane differences with those who lost the vote at our March board meeting. Joan Greenwood denied this request and asked that the Association only communicate with her through her appointed legal counsel.

At the March Board meeting and on several occasions since, supporters of the status quo for CTL have been asked **why a separate non profit for CTL would in any way harm or hamper the future of the CTL events**. There have been no responses to this question.

Open Letter to the Board of Directors

NOTE: The Wrigley Association accepts submissions for print at the following email address: wringlevillage@hotmail.com. You will receive a response to your email to confirm it has been received. Submissions that are relevant to the mission of the Wrigley Association will be included in newsletters and bulletins as space allows. No editing will occur without prior approval of the author. Accepted submissions will be printed in the next newsletter that is printed following the submission. Newsletters generally go to print following association board meetings on the third Monday of the month.

I am writing about my suspicions concerning violation(s) of my right to privacy by current and former Wrigley Association Board Members. Recently, I received a letter in the mail from an unknown attorney. Receiving a letter from an unknown attorney for a mysterious reason is never cause for celebration. I was quite angry when I realized I had received minutes from an unexplained and presumably unauthorized meeting of a group of disgruntled Association members. It appears a meeting was held in the same general location and at the same time a Wrigley Association sponsored event was in session. Based on this mailing and what I witnessed at the May Wrigley Association general meeting, I believe certain board members and their friends have improperly accessed and utilized my confidential membership information.

I have never authorized the Wrigley Association to provide my name and address to any other Association member or their legal representation. In fact it was my clear understanding that the Wrigley Association would never release its membership list to anyone, for any reason. How did these people access my home address and the name and address of any other person on the Wrigley Association membership rolls? My name and phone number does not appear in any public listing service and I keep my home address confidential. I believe the actions of these board members and their associates was a violation of my constitutional right to privacy, a violation of their ethical duty to me personally as a member of the Wrigley Association and potentially legally actionable.

The Wrigley Association Board of Directors have a duty to assure my private information is secure and to take precautions to prevent misuse or dissemination of my personal information to others. The duty of the Membership Coordinator is to keep membership records, not to release confidential information to anyone who asks for it-even if they are personal friends or other Directors. How and when was the confidential membership list provided to an outside attorney? I resent the irresponsible and disrespectful actions exhibited by those who have a duty to the Wrigley Association and its membership.

Further, I believe any Director who is actively associating with and providing private membership information to anyone has breached their fiduciary duty as a Director within the Wrigley Association. The Board of Directors has a primary duty to the Wrigley Association and its membership. A Director's personal interests or objectives are irrelevant; they must always act in the best interests of the Wrigley Association. I question how the Directors associated with the unsanctioned Wrigley Association meeting(s) and subsequent mailing(s) have a basic understanding of the ethical action and behavior required of their positions on the Wrigley Association Board of Directors.

At this time I am requesting an investigation and removal from the Board of Directors of those responsible for providing my name and address for any unsolicited mailings related to the Wrigley Association. Additionally, I would like to ensure the Wrigley Association is committed to keeping my personal information and all member information confidential.

Respectfully,

Coleen Vandepas
Wrigley Resident
Past Wrigley Association Board Member

Association By-Laws by Gavin Mc Kiernan-Parliamentarian

As mentioned in other parts of this bulletin, a dissident group of association members has used our mailing list and spread misinformation.

There are proposed amendments to the current bylaws which were mentioned at the May 2007 meeting which were prepared by a "committee." The fact is that the board has never

condoned any such committee nor is it condoning these proposed bylaws.

Proposals were sent to the board on May 10, 2007. We have reviewed the proposals with counsel in order to fulfill our fiduciary obligations to you and the organization. There are some proposed changes that are helpful and positive. However, there are many very subtle changes

that require direct comparison between the existing bylaws and the prepared proposed changes in order to appreciate any such changes. The existing bylaws are nine pages in length. The proposed bylaws are 15 pages. There are also many proposed changes that are inconsistent with the law and with each other. Clearly, these bylaws are in no position to be put in

place.

The following are comments (with extensive input from legal counsel) regarding some of the ambiguities and inconsistencies with respect to these bylaws.

This list is long and detailed yet it is important for the membership to review. The list of comments is certainly not all inclusive.

Review of Suggested By-Law Revisions by The Bylaws Review Committee and Legal Counsel

"Policies" Page (i)

The term "policies" is very vague and ambiguous. It is unclear as to whether or not the references made to certain philosophical policies or a method of implementing same. Many other non-profit corporations have struggled with this ambiguity.

Section 2.0(e): This provision is unclear as to its purpose and as to how the purpose is to be carried out. Specifically, without a further clarification, this provision could very well be in violation of the Articles of Incorporation of Wrigley Association, Article IIB prohibiting political campaigning, including the publishing or distribution of statements on behalf of any candidate for public office.

Section 3.2(b): Limits business and professional members to those actually having a business license within the existing boundaries of the Wrigley District. Thus, restricting business and professional members to those who actually have a business license rather than a business or profession within the existing boundaries of the District.

Further, **(c)** provides that an Associate Member or non-Wrigley resident will have the right to vote with all membership privileges after enjoying five cumulative years of associate membership. This allows of course members who are not living in the Wrigley District to vote on matters concerning the Wrigley District and those who live in the District.

Section 3.4: This section is conflicting and unclear. Specifically, **(a)** gives to the members the power to elect a Board of Directors of the Association "and to vote on all other matters coming before the association.". Section **(b)** states "matters brought before the association for a vote shall be voted upon by a majority of members present and this shall binding." It is unclear as to what the bylaws are trying to communicate. Is it that an act is only valid if a majority votes for a certain issue rather than a majority of members voting upon an issue?

Section 3.4 (c): "Bylaw changes shall require a two-third's majority vote of the membership." This is in direct conflict with Article IX which states "these bylaws may be amended at any meeting of the Association upon the affirmative vote of two-thirds 'of a quorum.'" Further, Article IX provides for advance notice of any changes while

Section 3.4(c) does not.

Section 3.4(e): "Actions involving the purpose of the Association shall be in exclusive jurisdiction of the general membership and shall be binding upon the Association." This also is inconsistent with traditional management of a corporation which requires the board to run the day-to-day affairs of every non-profit corporation. If it is the general membership that wishes to run the corporation, then Wrigley Association should become an unincorporated organization with a different set of rules.

Section 3.7(a): This section states "all decisions regarding suspensions by the Board of Directors shall be ratified by the Association at the next general meeting." This provision also appears to attempt to circumvent traditional corporate management rules and statutory law allowing and/or requiring the board to manage the Association.

Section 2.0(i): To discourage disparaging remarks from members of the Association towards other members.

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By-law Revisions cont.

Section 3.7(e): "Inappropriate comments are actions directed toward any other member of the association may result in possible immediate suspension which shall be addressed at the next scheduled board meeting."

Both of these statements are ambiguous as to the meaning of "disparaging remarks" and "inappropriate comments or actions." It is also unclear as to who makes the determination of what is inappropriate or disparaging. Additionally, these two statements may run afoul of the Free Speech Amendment of the Constitution.

Section 4.4: Allows for proxy voting which is governed by a statute. There are numerous problems that arise or that can arise in the setting. Certainly, members can solicit proxy votes to load their vote on a particular issue without requiring members to be at the meeting. The potential for fraud is very difficult to monitor.

Section 5.2(c): Generally, a non-profit corporation's funds, including restricted funds, are managed by the Treasurer of the organization. This individual assumes the fiduciary obligations associated with managing corporate funds. This proposed provision allows the chairman of the Daisy Avenue Christmas Tree Lane to maintain, manage and control a separate account for the Daisy Avenue Christmas Tree Lane funds. This is not a deviation from the current bylaws. However, the deviation is that the proposed bylaws state that the chairman of the Daisy Avenue Christmas Tree Lane shall only report to the board "as reasonably needed." The current bylaws require a monthly report. Further, the current bylaws require that any and all checks withdrawn from the funds regarding the Daisy Avenue Christmas Tree Lane over \$500 shall be approved by the chairman or two or three officers. The proposed bylaws limit the signatory to the chairman only one of the three officers. Based upon the board's fiduciary obligations and duties to manage the corporation, the board should and must have the ability to require regular and routine full accounting of any and all funds in the name of Wrigley Association.

Since Christmas Tree Lane is not a separate entity then the Treasurer is responsible for maintaining and keeping safe any Christmas Tree Lane funds. The board must also oversee that any restricted funds be used for their intended purpose.

Section 8.6: This section provides "at any Association meeting, thirty-five members present shall constitute a quorum." There are numerous rules with respect to a quorum of less than one-third of the membership for membership meetings. If the bylaws of the corporation authorize a quorum of less than one-third of the voting power, and if the quorum present in person or by proxy at a given meeting is in fact, less than one-third, then the only matters that can be acted on at that meeting are matters that were specified in the notice of the meeting. Thirty-five members is less than 25% of the membership.

Article XVI: "Any disputes arising out of or in connection with these bylaws shall be settled by mediation." Again, the intent here is obviously to attempt to resolve matters in a practical manner. However, the statement alone suggests that any dispute must be settled by mediation. What if the matter cannot be settled by mediation? What the statement probably means to say is that any and all disputes should be submitted to mediation.

Attachment "Integrity Agreement Uniform Agreement Establishing Procedures for Settling Disputes": This may have been used by other organizations, but it appears to be almost impossible to enforce and follow. Specifically, we refer you to page 1, paragraph 5(a). Discussing "discomfort level." While the intent appears to be a good faith resolution of disputes, the protocol is extremely convoluted and almost impossible to manage, control and enforce.

As stated above, these comments are not all inclusive but show the many issues related to these proposed changes. This Association is governed by the current by-laws and is compelled by law to follow them as they currently exist and to amend them only through the established process. The pertinent parts of the current by-laws are printed below. Complete by-laws are on our website or you can ask a board member for a copy to be sent to you.

ARTICLE IX – AMENDMENTS

SECTION 1. These by-laws may be amended at any meeting of the Association upon the affirmative vote of two thirds of those present, provided that a notice of the substance of the proposed changes for consideration shall be distributed as described in Article VI, Section 1-A-2.

ARTICLE VI –

NOMINATIONS AND ELECTIONS OF THE BOARD OF DIRECTORS

SECTION 1. NOMINATIONS

- A. The Board of Directors shall be nominated as follows: ...
- B. 2. The committee shall distribute the list of nominees through the Association's newsletter. In addition, the committee shall have the option of distributing the list through the Wrigley Bulletin, Signal, and or by telephone and/or mail to members. The list must be distributed at least five days before the annual meeting.



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Wrigley Association Website:
<http://www.neighborhoodlink.com/longbech/wrigley/>

**Please renew your membership today to
vote in annual elections on June 4th, 2007.**

Your vote will determine the future and focus of this
Association. Make it your association.

A Message from The Treasurer Annie Greenfeld-Wisner

Before my time as Treasurer, the Wrigley Association asked Partners of Parks (PoP) to be the steward of some funds for Christmas Tree Lane (CTL). This did not work out as planned and eventually PoP decided they no longer wanted to take on this role; at the same time, they decided that they would only disperse money to a 501(c)(3) organization. The Wrigley Association is a 501(c)(4), an important difference. More than a year after this problem came to the forefront, Maria Norvell, the long time chairwoman of CTL, informed your board that she had no documentation, no receipt of any kind, to prove that we had given thousands of dollars to PoP. Although she had assured your board PoP would return the money to the Association whenever we wanted it returned, she had made no written agreement of this.

The paperwork and requirements for running a 501(c)(3) are complicated and require diligence to a level that I as a volunteer treasurer do not feel I have time to follow through with. When I was told that those who had made such a basic mistake as to not get a receipt for a \$5000 transaction would be in charge of following through with the requirements of a 501(c)(3) organization I was skeptical. When I was told that I as the Treasurer and the association as a whole would remain liable for any future mistakes I knew I would have to vote in favor of the motion to create a new, legally separate, entity to run CTL.

In addition, since my election as Treasurer of Wrigley Association in July, 2006, I have requested but not been given access to all of the financial records of the association. I have records for the main account but not for either the account that contains money used for CTL or the money currently held by PoP. Ironically, either one of the CTL accounts alone is thousands of dollars more than the Wrigley Association account.

There is no reason why CTL cannot or should not be it's own 501(c)(3) with its own board of directors so those on its board can concentrate on that event. CTL should be a separate legal entity from the Wrigley Association, considering the implications of starting and properly maintaining a 501(c)(3), ensuring everything is done correctly, the complexities of running a 501(c)(3) under the umbrella of a 501(c)(4) and the consistent resistance and refusal of CTL personnel to provide required financial information. This type of set up is the standard in Long Beach with the Veterans Day Parade in North Long Beach and the MLK parade doing the same thing in setting up their own organization for their event.