

WCYC Board of Governors Meeting
August 22, 2015
DRAFT Meeting Minutes

Call to order: Ken Shefcik

Attendees

Present in Club Room:

- Board Members: Ken Shefcik, Curt Grimm, David May, Sandy Burt, Mike Harwell, Cate Poole

On Phone:

- Board Members: Geoff O'Connell, Tom Bell

Not in attendance:

- Board Members: Paul Tuhy

Guests

- Members: Ben Cioffi, Struan Robertson, Walter Collins
- Tom Wachsmuth, WCYC Marine Services

Secretary – Curt Grimm

- Approval of Minutes from July 20, 2015 meeting postponed until next meeting.
- Review of July 30, 2015 Organizational meeting minutes.
 - Sandy asked that the statement she submitted for the record should be included with the minutes. Curt will include the statement with the minutes as Attachment A.
 - Sandy still would like the actual count from the recount included in the minutes. Sandy still wishes to understand how the count changed. Ken explained that not only were there missing strokes, but there were also mistakes in the counts for different candidates. Sandy would like full disclosure. Mike points out that the BOG agreed at the organizational meeting to move past this issue. Sandy would like to see the final count and the list of voting shares from the Annual Meeting.
 - **Motion** - Mike moves to accept the minutes, seconded by Dave, approved by all.

Treasurers Report – Dave May

- Accounts are in order, except WCYC Marine, which is slightly behind in rent. Mike asks whether the budgets can include seasonal progress toward annual budget, so that we can better understand how much of the balance is expected through the rest of the year. Mike wonders if we should budget monthly for certain major items. David suggests that we can use the comparison between this year and last to understand how we are doing, but he also asks for BOG members to submit specific items that should be budgeted monthly against the annual budget.
- Upcoming expenditures include additional tax payments and heating oil.
- Cate asks about the expenditures for Buildings and Grounds. \$10,000+ seems kind of high. Ken says that this probably includes the dock stabilization work. She also asks about the \$1,200 for launch repairs. Both Toms explain that there was some engine and steering work done early on this season and there were also some expenditures on the Wahoo.

- Ken asks Tom B and David to work together to straighten out the Buildings and Grounds expenditures to be sure they are in the correct places.
- Sandy asks if the work done on the docks is guaranteed by the contractor. Ken and Tom B explain that there are issues with the site (lake depth, both ledge and sandy soils) that make it difficult to stabilize some of the fingers. Tom W says he has come up with some ideas for the few remaining fingers that need stabilizing.
- Ken asked David whether we need to carry a liability on the books for the share repurchases. David explains that if we are going to redeem shares, we probably will need to move funds from the capital account, which will reduce the overall balance. Cate wonders whether the share redemptions threaten the purchase of a forklift. David explains that if the shares are redeemed and the forklift is purchased, it will leave \$30K+ in the capital account. Selling new shares is the way to keep the overall balance flush. Discussion over what account to use for share redemption – capital account or Line of Credit. David feels we should use the capital account.
- Accounts receivable. David says there are three shares significantly in arrears. One since 2007 and two since 2010. David suggest that when the amount owed is equal to the share value we should remove the share. Several people point out that communications with these share owners is difficult due to various issues. Mike suggests we have the attorney send a note to collect. Others point out that we should wait until the penalties are equal or more than the share value and then we work with the attorney to remove the share.
- David also asks about the large number of people who still owe \$70 for dumpster usage. Mike and Ken explain that there were a number of issues with the billing. David will work with Loreena to clean the matter up.
- David asks whether we should move to email billing. Most members agree, but Cate asks if we know there is integrity to the email list. Mike says he feels the email list is good. Discussion about whether email has a return receipt capability. David will check on that.
- David also asks about the several people with positive balances. He and Loraine will work with Mike to clean those up.
- Cate has several questions: 1) how to get funds for Club supplies without having to use personal funds and wait for reimbursement? Discussion about whether there should be a debit card available for the Club steward and the Social Committee. Others suggest that the current reimbursement system does work, it is just that there have been some delays in the past. Recommendation is that we see how the system is working under the new Treasurer. Another recommendation is that we make a season's worth of purchases at the beginning of the season. Club steward will make a list of supplies and Sandy or Ken will make the purchases.
- David asks why we are billing members for social events – too much paperwork. Attendees should pay when they come to the event. Sandy suggests perhaps we use PayPal. Cate will look into that.
- How to get vendors paid in a timely way? Past problems may be resolved now that David has taken the Treasurer position. BOG will assess going forward.

WCYC Marine Service Update – Tom Wachsmuth

- Tom B suggests we discuss several of the Ops and B&G issues while Tom W is here.
- Tom W says things are going well so far. Some lags in anticipated income, but the bottom line is positive.
- Dry sailing is working well and earning some income; gas dock is now above 30,000 gallon mark which means there will be 10 cents per gallon coming back to the Club.

- Storage – summer storage is higher than one would like (means people are not boating), but importantly Tom expects that there will be a 20 to 30 percent increase in winter storage.
- Positive reviews on service. Tom asks the BOG what they have heard. Mike says all he has heard is positive.
- Rental boats are going well. Over \$13K so far. Some complaints about the boat parked at the road, but the positive impacts from that advertising are significant.
- Mike asks what our limit is for valet service. Tom says there is no reason we couldn't have 25 boats, and even more if we would park the rarely used boats elsewhere. Mike also mentions an uptick in interest from potential new members. Unfortunately, most want a slip, but he is hopeful that we could hook a few of these people using the valet service. He would like to be able to offer people the opportunity to test the valet service. Five of nine current valet users are non-members. If the non-members are limited to one year, it will be difficult to build the service, but at the same time we do want to encourage people to become members.
- Struan says that if he was sure the valet service was effective, he would consider giving up his slip. Geoff suggests that there are several slip users who might be willing to allow others to use their slip for various periods of time when they know that they will not be using them.
- AirGas – Tom feels he has resolved the invoicing issues. WCYC should not be receiving any more AirGas bills.
- Precise current gas numbers are always going to be difficult to know because of the lag with credit and billing. Past month numbers are valid.
- Tom is confident that he can attract some new members with his different services and the existing member amenities. Mike suggests that Cate and Tom work with him to continue to work on ways to attract members. Sandy suggests we reconstitute a Membership Committee as well.

Marina Ops – Tom Bell

- Launch Replacement – time to re-engage existing committee. Cate has researched repairing the Eastern. She also suggests involving Rick M as an advisor and committee member.
- Fork lift -- Tom has searched the internet fairly extensively and there don't appear to be any available at the moment. Tom W explains the criteria needed to satisfy the location and the boats we have.
- If we do not find a fork lift this season, Plan B would be to acquire a hydraulic trailer that could accommodate the powerboats and most sailboats. Tom has found several from \$15K to \$30K. Rest of sailboats could be pulled out by renting a larger hydraulic trailer. This would be a temporary solution until we find a fork lift.
- Discussion of potential parking problems with additional valet boats was met with a lot of ideas about how to get more parking spaces out of the existing location.
- Dock stabilization (see discussion in Financial section above).

Buildings & Grounds – Tom Bell

- Ben suggests the Club do more to clean up the entrance. Tom W suggests we work with Mr. Sabol to make some improvements.
- Tom and Tom prioritized the "to do" list. Tom W has fixed the walkway to the deck.

- Secure trash dumpster – recurring agenda item. Tom W feels that the dumpster is being monitored better. People are beginning to communicate with the marine services staff about what can be dumped and where.
- Discussion about whether the trash service should be an islander charge or a club wide charge. Problem identified is that if they were being charged, many people in town would be more likely to bring their trash to the dumpster rather than to the dump. Ken suggests we go forward with the way things are this year and we can look back on the season and decide later whether we need to make some changes to the trash service.
- Sabol agreement -- Ken has signed it. We are waiting for the Sabols to redo the plan submitted to the town. That should be done soon and we will move the sign and hopefully clean up the area by the road.

Planning – Geoff O’Connell

- Status of Bylaw changes -- Geoff has passed around the approved bylaw changes. The certified new language will be published. Mike asks about the language that says approved hardship cases can be treated “outside of the state process.” Geoff and Mike both feel this means that the hardship case would move to #1, but the language is not clear. Walt clarifies that the intent is that in hardship cases, the BOG will have the power to purchase the share at any time and independent of the waitlist system, not that they must. Ken says that the language of all of these bylaw changes will be looked at by the attorneys and if changes are suggested, we can do a mail vote of the members.
- **Motion** - Geoff moves for the BOG to approve the bylaw changes; Mike seconds; all approve. Geoff will send By Laws to Curt for signature. Curt will then send to Mike for dissemination to membership.
- Share repurchase rules -- Geoff asks if everyone agrees whether people who redeem their share should get prorated dues back once the share is redeemed. Discussion goes both ways, with the BOG coming to the conclusion that prorated dues should be returned to those redeeming shares.
- Geoff suggests language that says that if there is no waiting list, the BOG will approve the redemption by the end of the following month.
- Rule 6B will be changed to make it clear that only four waitlisted shares need be done at the beginning of the next fiscal year.
- Suggestion is to have seller bear any legal fees associated with the redemption and retirement of the share.
- **Motion** - Geoff moves to have these rule changes added to the Club rules, Cate seconds. Discussion: Mike worries about the cash flow issue of obligating the Club to purchase at least four shares by the end of May. Geoff notes that the process is going to be lumpy, but the cap of four limits the impact to the Club. Motion is unanimously approved.

Membership – Mike Harwell

- **Motion** - Mike moves that the BOG move to redeem the two shares that have been on the waiting list for some time. Once approved Mike will send an email asking the two parties to sign their shares, send them back for legal action and then he will have a check cut. Ken seconds and the BOG approval is unanimous.
- Preliminary lottery was conducted to select two others for share redemption. If any additional requests come in between now and Tuesday, the lottery will need to be conducted all over

again. [NOTE – ANOTHER REQUEST FOR SHARE REDEMPTION DID COME IN BEFORE THE DEADLINE SO THE LOTTERY WAS REDONE, SEE ADDENDUM ATTACHED TO THESE MINUTES FOR A FULL ACCOUNT – 8/30/2015]

- Ken asks if we use capital funds to redeem these four shares, can we reimburse the capital fund account with funds from the sale of new shares? Mike thinks there is a provision to allow this reimbursement, primarily through the roles of the BOG to manage the Club.

Social – Sandy Burt

- Sandy reports that the Annual Meeting dinner had 61 people. The diners' contribution left the Club paying \$2,003.87 in subsidy.
- Cate wonders if the social budget needs to be re-examined to cover the costs of the Club house.
- Cleaning of restrooms – suggestions for more frequent cleaning, but this will require increasing the social budget. David suggest that we see if we can pay WCYC Marine to be responsible for overseeing the restroom cleaning.
- Next event, after tonight, is Labor Day weekend.

Other

- Walt mentions that there are two trees on the property in need of assistance. Tom and Tom have identified these on their priority “to do” list.
- Walt also suggest that the BOG constitute a formal ballot committee. Curt notes that we have included this action in the 2015-2016 Roles and Responsibilities.

Adjournment – Motion - David moves to adjourn; Mike seconds, unanimously approved at 12:10.

2015-2016 Special Committees (Carry Forward)

- Winter Close Down -- How much will this save us? This committee needs to be created, Tom Bell will volunteer to be the chairman, Tom W likely to participate.
- Long Range Strategic Plan -- Geoff will continue to chair.
- Capital Reserves -- Start thinking about future objectives and projects for these reserves, rather than just sitting on the money.
- Sailing Capital of the Lake -- Ken raised this; Cate and Tom both interested.
- Launch Committee -- Cate, Sandy, Tom and Rick M.
- Increasing Share Sales – Mike, Tom W and Cate

Share Redemption Lottery

On August 24, 2015, one additional request to redeem a Club share was received by Mike. This was one day before the end of the month long "open season" during which time all requests for share redemption were eligible to be selected as one of the four shares that the Club would redeem this fiscal year. This request invalidated the preliminary lottery that was conducted on August 22, 2015. Mike and Cate performed a final lottery drawing with the result that the Duarte and Vanderhoef shares will join the Menefee and West shares (already approved for redemption at the August 22, 2015 BOG meeting) as the four shares to be redeemed this year. The Gibney and Fleming shares will remain at the top of the list of shares to be redeemed next fiscal year.

Ken opened an electronic BOG meeting on August 28, 2015. Geoff made a **Motion** that the BOG approve redeeming the two additional shares, making a total of four redeemed by the end of September 2015, and that the Capital Account be used for the share redemptions. Ken seconded and the online BOG vote was eight in favor and one opposed.

New Member Incentives

On August 28, 2015, Mike, Cate, Tom and Cami Wachsmuth met to discuss approaches to prospective members to incent them to join the Club. At this point in the year, many prospects would opt to wait until next year if they intended to join.

Tom suggested the following incentives to new members that join during September:

Free Valet Service for the remainder of the season.

Free winter storage

The above would only "cost" the Club \$125 per stored boat that was given free storage. As a further incentive, Mike suggest the Club forgo prorated dues for the remainder of this year. This would be approximately \$250 per new member.

The upside is we would gain capital infusion from the share purchase and would have them as full members for next year.

Motion by Mike that the Club forgo both its storage benefit and any prorated dues for new members who join before the end of 2015. Ken seconded and the BOG members unanimously approved the motion in an online vote.