



APPROVED BY BOARD OF DIRECTORS AUGUST 11, 2018

Tawas Bay Yacht Club

Board meeting Minutes

July 7, 2018

Present: C. Gettel, J. Olgaard, J. Banner, R. Thwing, N. Prancing, D. Larue, D. Zobel, J. Prancing, R. Main, M. Scott

Not present: P. Nice

Guests. D. Gettel, N. Ericcson, S. Alexander, L. Fitting, R. Stork

Call to order by C. Gettel at 8:04.

Reading of June 9 board meeting minutes read by Secretary J. Prancing

Motion: Accept the minutes of June 9 Board Meeting as corrected

By: N. Prancing Second: J. Banner

Unanimous vote in favor, motion passes

Motion: Add Coast Guard discussion to agenda under old business

By: J. Prancing Second: N. Prancing

Unanimous vote in favor, motion passes

New Members

Wayne and Elaine vanHartesVelt. They have a 38 ft Beneteau, came out a few weeks ago and met Cristi. Have a boat at the condo marina, might consider bringing their boat next year. Experienced racer, wants to race J22s. Have been here several weekends with family for dinner

Motion: Accept Wayne and Wlaine vanHartesvelt's application for social membership.

By: D. Zobel Second: D. Larue

Unanimous vote in favor, motion passes

Jayson Yockey social membership. Ann Prancing's son.

Motion: Accept Jayson Yockey's application for social membership, pending posting for 10 days. Membership to be effective July 13

By: J. Banner Second: R. Main

Unanimous vote in favor, motion passes

Sue Alexander and Richard Jarratt upgrading to full membership.

Motion: Sue Alexander and Richard Jarratt's application to upgrade to full membership.

By: J. Banner Second: D. Zobel

Unanimous vote in favor, motion passes

Martin and Goldie Kenney. They are friends of Ennis and Scott Shively. They are moving up here. Their application doesn't include any contact information, we'll have to postpone voting until next meeting. Post the application back on the board.

COMMODORE'S COMMENTS – C. Gettel

Everything has been going well.

We did have one incident with a member and the Coast Guard Chief on July 4. How can we remind member the importance of our relationship with the Coast Guard? D. Zobel and R. Stork witnessed this.

R. Main – suggestion that we send the member a letter from the Board warning him. Agreement that this should be done. JLP will draft a letter for C. Gettel to send to the member and copy Chief.

C. Gettel will get JLP info on the Chief to include as an introduction in the BREEZE.

C. Gettel has heard a lot of animosity between social and full members. We need to continue to value our social members and treat them with the respect they deserve. Consider changing the name of the category from social to associate? Consider having social representation on the Board. In the past we had the Associate category, with the responsibility for a work project, and minimum in the restaurant. This would give them more stake in the club. Some discussion of if \$200 minimum is high enough. Increasing minimum obligates us to provide quality kitchen and bar service. C. Gettel will pull a couple of social members together to bring a proposal. Will put in new business for the next meeting.

S. Alexander – says that at Richmond YC in CA that she belongs to, they do not allow people who own boats to join other than full.

This could become a more important discussion as we get closer to filling the harbor.

Restaurant update. C. Gettel had meeting with Chef Zach to discuss recent performance concerns. N. Prancing and R. Main were present.

On 6/13 C. Gettel included in the BREEZE a plea for members to support the restaurant. We were very busy on 6/15. More issues with Zach that weekend, and C. Gettel fired him on 6/18.

Interviewed Les Lawrence on 6/21 and hired him as our new lead chef. He and the team have been doing very well and the restaurant remains busy. C. Gettel is working many hours to keep the restaurant running.

Hired Sidney vanMeter as a server.

Almost \$1700 in sales on Friday night – another great sales night.

Next event is Slammer Cup on August 3 and 4. Steak dinner for Saturday night. C. Gettel is going to ask some of our social members to help.

J22 Regatta – Pig Roast to be put on by Jim McArdle, former township supervisor. Estimating 125 people. \$400 cost for the pig roast. Will have member volunteers provide sides. We should hire the servers here to help with the dinner.

We are facing a problem that C. Gettel is working too many hours. Should consider hiring enough help to cover our busy nights. Concern about budget, but remember that the kitchen really just needs to break even. The kitchen requires a dedicated manager. C. Gettel recommends that we need to change our model to catering and member led events. The current model is unsustainable.

Last weekend the freezer in the kitchen failed in the hot weather. \$200 - \$300 food lost, \$379 to repair.

TREASURER's REPORT – D. Zobel

Financials

See attached report.

Balance sheet

Accounts receivable – reflects invoicing, billing will go out this week.

Dock depreciation schedule needs to be created.

Income statement

Bar and restaurant are doing well. Both in the black for June.

Ice. Rose Ice changed to Glacier Ice without notice. The bags of ice are 6# instead of 8#.

Payroll expense – Delinquent tax for non-filing of withholding for 1Q2018. D. Zobel is still working to sort out the transition from Ken Cook.

Playground expenses. Discussion of if we can move these expenses into the general grounds maintenance. Recommendation to keep it as a separate line item through this season to capture remaining work on the border, etc.

Workers Comp insurance – broken out as a new item.

Reviewed June disbursements.

June billing – statements will be sent out Monday.

HRF status. \$38,000 will be transferred into the general fund as planned.

Y. Thrush has reviewed the bank reconciliations.

R. Main – comment about the accounting process. We are still not reflecting the full cost of operating the kitchen (utilities, insurance, etc.). It impacts the discussion with the membership about the future of the kitchen. Social dues could also be considered kitchen revenue.

VICE COMMODORE's report – N. Princing

Business After Hours was a success. A couple of new businesses attended. We did a short presentation about the club.

R. Thwing has been replacing light bulbs in the dining room with LEDs. Total will be less than about \$100 to replace and will save ~\$400 in electricity. Will continue to replace additional bulbs around the club.

Thank you to Rob Stork and Marc Fore for their presentations on the Fourth of July. These were well attended and received.

REAR COMMODORE'S report – J. Banner

See attached report.

Docks update – the new docks from Flotation Dock Systems are complete. Awaiting a final invoice that should reflect savings from what was budgeted.

Are the new docks a slightly different design? Yes – we do understand the new design and are making sure we still understand how to detach them and remove safely at the end of the season. The high water levels might mean we can reevaluate which docks need to come out. The new docks did not come with ladders. J. Banner has looked into options, including aluminum ladders that flip up or slide. Problem with these is that boats will scrape on them. Some safety ladders are required, how many? Maybe build wood ladders on the seawalls for emergency exits.

Working with Bill Busch on four of the 24' sections that we saved to build the parts needed to convert these into docks out nearest to the Coast Guard and the front steel wall off the lawn.

Swing set – will be working on the border after the Mac races in July.

Exterior shower doors. Randy Stevenson completed first coat of paint, Matt Princing will do second coat.

Q – Why are Jerry’s putting boats and trailers on their property at the road? It is their property, but we are concerned that it is obstructing view at the road.

SECRETARY’S REPORT – J. Princing

Received request to sponsor Tawas Uncork’d from Aimee O’Connor. We do have a budget for advertising. We paid \$500 for Perchville, didn’t see any real return on that. We should keep discussing how to be visible and connected to the community. C. Gettel says our engagement with RESA is more valuable.

Decline to participate at this time.

RACING UPDATE

18 J22s signed up currently for the Regatta in August. Could be up to 25 boats.

OLD BUSINESS

POS system update – D. Zobel.

System is implemented. Still working out some issues with the programming (how to allow members to add additional tip on their bill?).

Long term vision discussion – All

Covered in the kitchen discussion

Building maintenance upcoming.

For the next meeting we’ll have a nominating committee discussion.

LED bulbs for the dining room. – see above.

Coast Guard license renewal – D. Zobel

We were expecting to hear from them, we are a year out. Donna received a request for us to send in our certificate of insurance and sent that in. Process ongoing.

NEW BUSINESS

Heritage Sailing group - Sue Alexander. They are doing a kids sailing camp in July/August. They have procured several Hunter Excite 10’ boats for this. They have 15 kids signed up, ages about 8 – 11. Most of the kids are local. They are looking for volunteers to help with chase boats, etc. This is a natural fit for us to help out. They will be running off the beach at the state docks. Leo Chartier has the information. Maybe we could sponsor lunches or snacks. Their instructor is Mary Gmeiner. Smitty, Randy Stevenson, Leo Chartier would be good liasons with this group.

Bathroom exhaust fans – N. Princing. They are really loud and don’t seem to be doing their job. Can they be replaced? Table decision for next week.

Bar smoke eaters. Sue Alexander will clean the filters as a work project. Consider removing them and replacing with fans to circulate air. Also need better lighting behind the bar. Will present recommendations next month.

Q? Is smoking allowed on the porch, or did we designate the smoking table? We haven't disallowed smoking on the porch, but there are times when the smoke comes in the front door. Maybe better signage indicating the smoking table.

Motion: Adjourn meeting.

By: D. Zobel Second: J. Banner

Unanimous vote in favor, motion passes

Motion to adjourn

Adjourned at 10:02.

Recorded by Secretary Jennifer Prancing

Treasurer's Report – July 7, 2018 June Financials - Please note: Balance Sheet: ☐ General Fund Balance: \$284.50. Transfer of \$38,000 from Harbor Renewal Fund to General Fund per Harbor Renewal Program scheduled for July 2. ☐ Accounts Receivable: \$24K – reflects June invoicing. ☐ Other Assets: \$33,000 for new docks. Once final installment is paid to Flotation Docking Systems the total amount will be reflected in Fixed Assets. Dock depreciation schedule needs to be created. Income Statement: ☐ Restaurant: \$1,400 in the BLACK for June. ☐ Bar: \$2,200 in the BLACK for June. ☐ Ice: Added Ice as separate revenue center. The use of ice in the bar and restaurant is now reflected in their respective cost of goods. ☐ Payroll expense: Delinquent tax for non-filing of withholding for 1Q2018. Will discuss. ☐ Other Expense: Playground Project. Recommend we record these expenses as Grounds Maintenance expense. ☐ Last page, Insurance – Workers Comp. Separated out WC insurance from all insurances.

June Disbursement Schedule Review - see attached. Total of \$20,754.70 in disbursements.

June Billing – Statements will be sent the week of July 8.

Harbor Fund Renewal Status As of June 30, 2018: ☐ \$215,785.17 Contributions ☐ \$121,033.33
Expenditure ☐ \$ 94,751.84 Balance

Per the Harbor Fund Renewal plan, \$38,000 is to be transferred to the Operations General Fund each year. The transfer will occur July 2, 2018.

Old Business: POS System ☐ Up and running. ☐ Still working through some glitches. Problems with gratuity and tax calculations. We are still invoicing using old process until these issues are resolved. Some members received receipts showing double gratuity. This will be fixed in their actual billing. ☐ Plan to have July billing for house account purchases processed through POS system. This includes bar, restaurant and merchandise purchases.

07/03/18
Accrual Basis

Tawas Bay Yacht Club
Balance Sheet
As of June 30, 2018

	<u>Jun 30, 18</u>
ASSETS	
Current Assets	
Checking/Savings	
Operations Checking	
General Fund	284.50
Initiation Fee Fund	20,402.81
Regatta Fund	11,812.79
Playground Fund	7,654.16
Total Operations Checking	<u>40,154.26</u>
Harbor Renewal Fund	
HRF Checking	76,114.10
HRF Money Market	18,637.74
Total Harbor Renewal Fund	<u>94,751.84</u>
Other Savings	
Initiation Fee Money Market	11,806.60
Total Other Savings	<u>11,806.60</u>
Total Checking/Savings	146,712.70
Accounts Receivable	
Accounts Receivable	24,318.51
Total Accounts Receivable	<u>24,318.51</u>
Other Current Assets	
Inventory	7,489.50
Total Other Current Assets	<u>7,489.50</u>
Total Current Assets	178,520.71
Fixed Assets	
Harbor Improvements	233,603.98
Land	100,000.00
Building & Equipment	119,936.35
Total Fixed Assets	<u>453,540.33</u>
Other Assets	
Harbor Renewal Deposits	33,000.00
Total Other Assets	<u>33,000.00</u>
TOTAL ASSETS	<u><u>665,061.04</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Sales Tax Payable	1,241.03
Total Other Current Liabilities	<u>1,241.03</u>
Total Current Liabilities	1,241.03
Long Term Liabilities	
Members Non-Int Note Payable	10,924.24
Total Long Term Liabilities	<u>10,924.24</u>
Total Liabilities	12,165.27
Equity	
Fund Balance	609,635.47
Net Income	43,260.30
Total Equity	<u>652,895.77</u>
TOTAL LIABILITIES & EQUITY	<u><u>665,061.04</u></u>

Tawas Bay Yacht Club
Income Statement
June 2018

	Jun 18	Nov '17 - Jun 18
Ordinary Income/Expense		
Income		
Membership Fees		
Dues/Full Member	175.00	18,475.00
Dues/Social Member	125.00	11,500.00
Initiation Fees	800.00	3,200.00
Total Membership Fees	1,100.00	33,175.00
Boating Related Income		
Dockage Seasonal	2,421.00	45,940.00
Dockage Utility	150.00	1,850.00
5% Dock Discount	0.00	(1,977.15)
Dry Sail	(740.00)	3,374.00
Overnight Dockage	50.00	50.00
Winter Maintenance & Utilities	0.00	600.00
Harbor Expense	0.00	(2,200.00)
Total Boating Related Income	1,881.00	47,636.85
Merchandise		
Merchandise Sales	1,508.26	1,599.94
Merchandise Cost of Goods	(1,913.30)	(2,375.90)
Total Merchandise	(405.04)	(775.96)
Restaurant		
Restaurant Sales	8,846.73	12,459.61
Food Sold at Cost	37.00	227.00
Restaurant Cost of Goods	(3,204.78)	(5,572.33)
Restaurant Supplies/Linens	(756.91)	(984.43)
Food Service License	0.00	(390.00)
Restaurant Wages	(2,910.79)	(5,109.17)
Restaurant Payroll Taxes	(631.03)	(1,011.95)
Total Restaurant	1,380.22	(381.27)
Bar		
Bar Sales	4,955.45	7,217.20
Bar Cost of Goods	(1,492.61)	(3,938.17)
Bar Supplies	(20.98)	(85.62)
Bar License	0.00	(363.40)
Bar Wages	(1,113.18)	(1,773.06)
Bar Payroll Taxes	(162.02)	(257.20)
Total Bar	2,166.66	799.75
Ice		
Ice Sales	140.00	140.00
Ice Cost of Goods	(118.80)	(118.80)
Total Ice	21.20	21.20
Total Income	6,144.04	80,475.57
Gross Profit	6,144.04	80,475.57
Expense		
Accounting	0.00	1,013.50
Payroll Expenses	55.00	55.00
Advertising and Promotion	0.00	40.00
Dues and Subscriptions	0.00	790.00
Entertainment	300.00	1,150.00
Bottomlands Lease	0.00	5,741.00
Building Cleaning	1,415.34	1,790.34
Building Repair & Maintenance	831.45	1,419.52
Grounds Maintenance	45.10	1,070.10
Dock Expenses	15.55	1,880.78
House Supplies	92.16	126.27
Kitchen & Bar Equipment	0.00	56.79
Insurance	1,950.00	4,876.00
Taxes - Property	84.57	2,437.43
Miscellaneous	0.00	210.00
Opti Regatta Expense	0.00	121.96
Credit Card Fees	0.00	(4.60)
Office Expenses	107.97	756.54
Postage	238.77	238.77
Telephone	69.66	554.89

Tawas Bay Yacht Club
Income Statement
June 2018

	<u>Jun 18</u>	<u>Nov '17 - Jun 18</u>
Utilities - Cable TV/Internet	238.91	805.49
Utilities - Electric	372.10	1,792.88
Utilities - Gas	137.28	1,126.14
Utilities - Waste Disposal	0.00	411.00
Utilities - Water	120.09	589.98
Spec. Proj-POS System	270.74	677.20
Total Expense	<u>6,344.69</u>	<u>29,726.96</u>
Net Ordinary Income	(200.65)	50,748.61
Other Income/Expense		
Other Income		
Dividend Income	0.00	145.63
Interest Income	0.00	79.70
Other Income	0.00	14.16
Total Other Income	<u>0.00</u>	<u>239.49</u>
Other Expense		
Playground Project	304.80	304.80
Spec. Proj.-Roof Repairs	0.00	7,423.00
Total Other Expense	<u>304.80</u>	<u>7,727.80</u>
Net Other Income	<u>(304.80)</u>	<u>(7,488.31)</u>
Net Income	<u><u>(505.45)</u></u>	<u><u>43,260.30</u></u>

Tawas Bay Yacht Club
Income Statement Budget vs. Actual
November 2017 through June 2018

	Nov '17 - Jun 18	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
Membership Fees			
Dues/Full Member	18,475.00	19,500.00	(1,025.00)
Dues/Social Member	11,500.00	11,500.00	0.00
Initiation Fees	3,200.00	3,200.00	0.00
Minimum House Fee	0.00	2,500.00	(2,500.00)
Work Detail	0.00	2,000.00	(2,000.00)
Total Membership Fees	<u>33,175.00</u>	<u>38,700.00</u>	<u>(5,525.00)</u>
Boating Related Income			
Dockage Seasonal	45,940.00	40,000.00	5,940.00
Dockage Utility	1,850.00	2,000.00	(150.00)
5% Dock Discount	(1,977.15)		
Dry Sail	3,374.00	4,000.00	(626.00)
Overnight Dockage	50.00	0.00	50.00
Winter Maintenance & Utilities	600.00	850.00	(250.00)
Harbor Expense	(2,200.00)	(4,800.00)	2,600.00
Total Boating Related Income	<u>47,636.85</u>	<u>42,050.00</u>	<u>5,586.85</u>
Merchandise			
Merchandise Sales	1,599.94	5,400.00	(3,800.06)
Merchandise Cost of Goods	(2,375.90)	(4,800.00)	2,424.10
Total Merchandise	<u>(775.96)</u>	<u>600.00</u>	<u>(1,375.96)</u>
Racing			
Racing Income	0.00	1,800.00	(1,800.00)
Racing Expense	0.00	(1,200.00)	1,200.00
Total Racing	<u>0.00</u>	<u>600.00</u>	<u>(600.00)</u>
Restaurant			
Restaurant Sales	12,459.61	1,250.00	11,209.61
Food Sold at Cost	227.00		
Restaurant Cost of Goods	(5,572.33)		
Restaurant Supplies/Linens	(984.43)		
Food Service License	(390.00)		
Restaurant Wages	(5,109.17)		
Restaurant Payroll Taxes	(1,011.95)		
Total Restaurant	<u>(381.27)</u>	<u>1,250.00</u>	<u>(1,631.27)</u>
Bar			
Bar Sales	7,217.20	1,250.00	5,967.20
Bar Cost of Goods	(3,938.17)		
Bar Supplies	(85.62)		
Bar License	(363.40)		
Bar Wages	(1,773.06)		
Bar Payroll Taxes	(257.20)		
Total Bar	<u>799.75</u>	<u>1,250.00</u>	<u>(450.25)</u>
Ice			
Ice Sales	140.00		
Ice Cost of Goods	(118.80)		
Total Ice	<u>21.20</u>		
Total Income	<u>80,475.57</u>	<u>84,450.00</u>	<u>(3,974.43)</u>
Gross Profit	<u>80,475.57</u>	<u>84,450.00</u>	<u>(3,974.43)</u>

Tawas Bay Yacht Club
Income Statement Budget vs. Actual
November 2017 through June 2018

	Nov '17 - Jun 18	Budget	\$ Over Budget
Expense			
Accounting	1,013.50	3,000.00	(1,986.50)
Payroll Expenses	55.00	0.00	55.00
Advertising and Promotion	40.00	500.00	(460.00)
Dues and Subscriptions	790.00	900.00	(110.00)
Entertainment	1,150.00	2,200.00	(1,050.00)
Bottomlands Lease	5,741.00	7,550.00	(1,809.00)
Building Cleaning	1,790.34	3,750.00	(1,959.66)
Building Repair & Maintenance	1,419.52	4,050.00	(2,630.48)
Grounds Maintenance	1,070.10	4,000.00	(2,929.90)
Dock Expenses	1,880.78	3,700.00	(1,819.22)
House Supplies	126.27	750.00	(623.73)
Kitchen & Bar Equipment	56.79	300.00	(243.21)
Insurance	4,876.00	9,340.00	(4,464.00)
Insurance - Workers Comp	0.00	660.00	(660.00)
Taxes - Property	2,437.43	11,500.00	(9,062.57)
Miscellaneous	210.00	0.00	210.00
Kids Program	0.00	500.00	(500.00)
Opti Regatta Expense	121.96	0.00	121.96
Credit Card Fees	(4.60)	150.00	(154.60)
Office Expenses	756.54	1,800.00	(1,043.46)
Postage	238.77	500.00	(261.23)
Secretary Expense	0.00	1,000.00	(1,000.00)
Treasurer Expense	0.00	500.00	(500.00)
Telephone	554.89	840.00	(285.11)
Utilities - Cable TV/Internet	805.49	1,660.00	(854.51)
Utilities - Electric	1,792.88	3,850.00	(2,057.12)
Utilities - Gas	1,126.14	1,800.00	(673.86)
Utilities - Waste Disposal	411.00	950.00	(539.00)
Utilities - Water	589.96	1,300.00	(710.04)
Spec. Proj-POS System	677.20	4,000.00	(3,322.80)
Spec. Proj-Dumpster, Mast Rack	0.00	2,000.00	(2,000.00)
Total Expense	29,726.96	73,050.00	(43,323.04)
Net Ordinary Income	50,748.61	11,400.00	39,348.61
Other Income/Expense			
Other Income			
Dividend Income	145.63	150.00	(4.37)
Interest Income	79.70	150.00	(70.30)
Other Income	14.16	0.00	14.16
Total Other Income	239.49	300.00	(60.51)
Other Expense			
Playground Project	304.80	0.00	304.80
Spec. Proj.-Roof Repairs	7,423.00	0.00	7,423.00
Harbor Renewal Fund Trans Out	0.00	11,700.00	(11,700.00)
Total Other Expense	7,727.80	11,700.00	(3,972.20)
Net Other Income	(7,488.31)	(11,400.00)	3,911.69
Net Income	43,260.30	0.00	43,260.30

Rear Commodore's Report 7/6

Docks update:

Floation Dock Systems (FDS) have come and gone. They left behind 7 brand new docks. Thanks to all the members that have moved and moved back. I hope they all find it well worth the trouble. Again, I have to thank Matt Haglund for his help during the installation and the weekend prior to remove dock posts to ensure the docks could be stacked. This enabled us to keep the docks and not have them take up too much space in the rear. Tony and Rich also helped during the installation process. The remaining plan for the new docks is to have them water sealed toward the end of summer. I had heard of this happening in the past and then was forgotten about. This was brought up by Jerry Thrush. I think this could be an easy fall work party and a great way to protect our investment. On the topic of investment, Cody from FDS will have the final invoice next week. I am still planning on seeing a savings.

Replaced docks:

As stated above, they have all been stacked in the far rear corner of the back yard. We will slowly begin removing hardware off the two floaters from the main docks and one of the 24' sections from the south wall. This will give us the hardware needed to complete the next 35' south wall dock. The remaining four 24' sections will become floating docks for the front steel wall off the lawn and replace the stationary deck nearest to the USCG. I am currently working with Bill Busch on building the collars, tubes, and spuds.

A little note on how much our members help to control cost: I got a call from Matt toward the end of the FDS installation. On that call, I was informed that FDS had brought some extra dock posts and wanted to know if TBYC wanted them. I called Cody to confirm the price and found that FDS charges \$28 per post. The wood cost \$8 and has 4 counter drilled holes and a mitered top. This is \$20 for 4 holes and 4 cuts with a chop saw.

Roof update: (copied from last report)

Nothing has been started on the roof to date. The plan is still to repair the chimney mortar and waterproof this year. As this will cause a lot of dusk, this will need to be a mid-week project. The washing and conditioning/sealing of the roof can occur after the chimney is complete. This will consist of pressure washing with some scrubbing and rolling on the conditioner/sealer. I would recommend having Universal Roofing complete a yearly inspection moving forward. This will be at a minimal to no cost.

Exterior shower doors update:

Randy Stevenson has put one coat of paint on the doors. It was found that an additional coat was needed. Matt Princing will be completing the second coat. The signage is made and waiting for the second coat of paint to be applied.

Swing set:

I will be working on completing the boarder when I return from the Mackinaw races. Should start on 7/28.