



**Regular Meeting of the Board of Directors of the Erie Yacht Club  
September 16, 2013**

**Officers Present:** Commodore Matt Niemic, V/C Ed Schuler, R/C Brad Enterline, Fleet Captain John Orlando and Secretary/Treasurer Karen Imig

**Directors Present:** Bob Cunningham, Dan Dundon, David Haller, P/C Dave Heitzenrater, Mickey McMahon, and Jamie Taylor

**Directors Absent:** Bill Gloekler

**Guests:** General Manager Mike Lynch; member from 6:58 p.m. to 7:17 p.m.

The Commodore called the Regular meeting to order at 6:33 PM.

**Agenda:** The Commodore called for any additions or corrections to the Agenda. S/T Imig added “D. *Historical Committee*” under “Committee Reports.” After a motion by Bob Cunningham, seconded by F/C Orlando, the revised Agenda was then unanimously approved.

**Acceptance of Minutes of August 19, 2013 Regular Meeting:** After asking for additions or corrections to the Minutes, the Commodore asked for a motion to approve them. Bob Cunningham moved to accept; second by Dan Dundon. The Minutes were unanimously approved.

**Secretary's Report:** On a motion by V/C Schuler, seconded by Bob Cunningham, the Board unanimously voted to remove the following member from his one year probation: John Schultz (JF). All membership actions were unanimously approved, effective January 1, 2014, on a motion by Bob Cunningham, seconded by P/C Heitzenrater, as follows: TRANSFERS: *Associate to JF-Non-Resident* - Erin Wolford and Eric Tattersall; *Associate to Senior*- Mary Schaaf; RESIGNATIONS: *Associate*: Matt Simmons (good standing, having paid fines); *Junior Family*: Collins Walston and Brandon Thomas (not in good standing, owing past fines); *Regular*: Jeff Eastman; REINSTATEMENTS: *Junior Family* membership: Erin Wolford (effective immediately). On a motion by Bob Cunningham, seconded by Jamie Taylor, the Board unanimously removed Jeff Mroz from dues suspension. The Secretary-Treasurer noted that we had received the following correspondence: 1) Letter from the Monica Bloomstine thanking the EYC Board for its support of the Chinese Auction at the Charity Regatta. 2) Letter from GLSS solo Sailor Dan Pavlat along with \$150 check for EYC Foundation, to thank the Club, and especially Dockmaster Bill Vogle and his crew for their hospitality during the GLSS Solo Challenge. 3) Letter from Industrial Appraisal Company asking to schedule a complete reappraisal of the Club since our last one was done in 2005. 4) Letter from Martin R. Bebb, National Secretary, Snipe Class International Racing Association, thanking the Club for its hosting of the recent Snipe Masters' Regatta. 5) E-mail from Malin Bergquist advising us that they are will be merging with BKD which is a national firm based out of the Midwest. 6) Letter and petition from Regular member Michael Ferralli submitting his name for election to Director. He was one signature short, but resubmitted his petition with appropriate signatures the next day.

**Treasurer's Report:** The Secretary-Treasurer reported that the following members had not paid their 2013 dues and assessment by September 1, 2013 and were suspended and billed a \$50 fee: David Varo, C. James Fischer, David Jones, Daniel Varo, Samuel Varo, Jr., Thomas Jordan Jr., Michael Krondrlik, Jeff

Mroz, Elmer Kiesel, Darlene Lay. As the date of this report, none had paid. If their dues are not paid by October 1, 2013, they may be expelled. All will be called before expulsion action is taken.

On September 10, 2013, 83 members who had not yet paid their July charges were contacted, 75 by e-mail and 8 by phone. Those who had not paid by September 16, 2013 and were billed a \$25 service fee were: Lawrence Baumann, Mary Ebach, William Makarowski, W. Kevin Mahoney, Philip Wolford, Mark McEnery, Chester Bixby, Laurie Thompson, Daniel Burhenn, Scott J. Lim, Daniel Krahe, Jr., Timothy Mehl, David Cercone, Ted Padden, Gary Kupniewski, Michele Butterfield, Terri Southworth, Thomas Tredway, M. Kathleen Allison, Brian Gorman, Elizabeth Walbridge, Daniel Francoeur, Jeff Mroz, Matthew Rogers and Mark Wilson.. If their charges are not paid by October 1, 2013, they may be suspended and fined \$50.

Daniel Varo, Samuel Varo and David Varo asked for a way to resign from the Club rather than be expelled and the Board offered them the following option to resign in good standing effective July 1, 2013 if they pay their first half year dues and fines by October 1, 2013. If no payment is received they will be expelled with the other members who have not paid their second half year dues by October 1, 2013 deadline:

Cash on Hand as of September 10, 2013

	<i>Current Month</i>	<i>Last Month</i>
Funds in PNC Operating Sweep		
a) Operating Reserve	\$18,194.17	\$33,024.11
b) Funds available	0	0
Funds in M-L Capital		
a) Capital reserve	\$100,000.00	\$100,000.00
b) Funds available	29,772.22	9,230.23
Basin Reserve Fund (PNC)	\$ 100,460.06	\$ 143,144.27
Petty Cash	3,500.00	3,500.00
<b>Total Cash on Hand</b>	<b>\$251,926.45</b>	<b>\$407,012.88</b>

The Secretary-Treasurer noted that the Operations account was low at the time of this report but member charges were due by the 16<sup>th</sup> so we should see an influx of cash. Payroll is approximately \$30,000 /week so we have to be sure to have enough to meet payroll. It may be necessary to take a line of credit draw, or to borrow from our Capital Account, but we will “wait and see.”

She also reported that she had sent the official letter asking Malin Bergquist to do our Annual Audit. Based on our calendar for the Annual Meeting countdown, it looks like we will have to meet with them on October 31, 2013 to be able to have the financial report available by November 4. As noted in the Secretary’s Report, Malin Bergquist is merging with a firm by the name of BKD.

GM Mike Lynch presented the balance sheet and income statements for August and monthly financial critique including Mark Eller's worksheets. These reports are filed with the original packet. In his “Financial Critique,” he stated that overall, the Club showed a profit on the month of \$44,247.00, which was \$7,102.00 less than our budget of \$51,349.00. The Lounge had a fabulous month with overall sales coming in \$13,000.00 more than we had planned. Overall sales and sales to members came in at an all-time high for the Galley. While our overall Club income on the month was \$73,500.00 more than our budget, our overall expenses were \$80,600.00 higher as a result of a Clubhouse roof repair and window repair in our west vestibule as well as Dock repairs and a correction in the fuel inventory. Due to late invoicing from the fuel distributor, our fuel inventory was off and it was corrected this last month. Year-to-date the Cub is showing a loss of <\$79,527.00> which is \$16,832.00 more than our budget.

General Manager's Report: GM Mike Lynch presented his report which is filed with the monthly Board packet. In it, he reported the following: 1) *2014 Operating Budget:* The meeting is scheduled for Tuesday October 15<sup>th</sup> at 6:30. 2) *Affordable Care Act:* The first employer stipulation of the ACA states we must inform our employees of their options for the Health Care Marketplace which opens on October 1, 2013. The due date for notification is also October 1<sup>st</sup>. We sent a notice to our staff the week of September 9<sup>th</sup>. He has also found out that the ACA will not affect our fiscal budget until the year 2015 which is the year to which the Federal government moved the implementation date back. 3) *Junior Sailing:* We've been able to update the Program brochure for the 2014 season and we will be printing the brochures soon so we can take advantage of the popularity within the program and pre-sale for next year. Our plan is to mail the new brochures in October to members who enrolled last year and then to the general membership population in November. 4) *Gas Well Update:* In 2007, we drilled a Medina gas well at a cost of \$197,111.00. Since that time we have saved on average \$23,235.00 per year in natural gas costs for a savings to date of \$127,792.00. At this rate by midterm 2015 will have recouped our investment costs in the well. All indications at this point show the well producing as planned. 5) *I-Dock Project Estimates:* The new estimate is \$382,257. A quote to paint the docks was added, the electrical quote was increased to move the electrical line installed by Nick Scott years ago and the contingency was increased. If we fund I-Dock ourselves we would see our Capital funds dip which would allow for zero Capital spending in 2014 and takes us below our \$100,000.00 minimum level. Therefore, if the Board decides to move forward with I-Dock this year, we will need to borrow some funds from the bank so as not to put the Club into a position of not having emergency funds available. Since we have a firm cost estimate he has asked the Bank to put together a funding package and he hopes to have a summary for our meeting so we can have preliminary discussion. 6) Current cash position and projections for the balance of the year.

**Basin Fund** – The fund shows an end of August balance of \$134,118.00 which will cover our mortgage payments until into January 2014 at which time 2014 assessments will be in to cover the balance of fiscal 2014. The only remaining income for this account in fiscal 2013 is the \$18,150.00 in Slip holder's \$50.00 dues Transfer.

**Capital Fund** – The Capital fund has a current balance of \$129,772.00. The only item left to pay will be the Convection Ovens at a cost of \$9,636.06 which will be paid this month. That will leave the Capital Fund with a year-end balance of \$120,111.00 which is above our \$100,000.00 minimum balance.

**Operation Account** – Our Operation account has a current balance of \$113,373.00 (9/11/2013). We have one outstanding obligation to the Basin Fund of the \$50.00 Slip Holder Dues transfer (\$18,150.00). The statement shows us borrowing \$50,000.00 from our Line of Credit in October and then paying it off by month's end. The reason behind that is simply cash flow. During the month we see our cash receipts low while we have expenses to pay. By the end of the month the flow increases to the point that we can pay back the Line of Credit.

## **Officers' Reports:**

Fleet Captain's Report: F/C Orlando submitted his report, which is filed with the monthly Board packet. In it, he reported the following: 1) *Grounds:* The fall haul-outs have begun and Dockmaster Bill Vogel and his crew will be getting busier and busier over the next month. F/C Orlando highly encourages members to look ahead at their schedules and set up an appointment to have their boats hauled out. This makes life much easier for the grounds crew and allows the members to have an appropriate amount of time to put their boats away for the season. Members with boats in the dry sail area should begin to move their boats from the grounds if they are not winter storing them here on the grounds. Dry sail boats may be moved around to accommodate the winter stored boats. 2) *Junior Sailing:* Plans are well under way for the 2014 season and there are many things to be excited about. The Groundbreaking for the Rickloff Community Boathouse was held Saturday September 7th and construction is set to begin. This will be the home of the Reyburn Sailing School and a great asset to the community. Classes have been filling up earlier and earlier over the last few years and he encourages parents to keep an eye on the Club e-mail newsletters for registration information. 3) *EYC Racing Fleet:* The racing season is winding down after

another wonderful season. The Club is set to host another small boat one design regatta. The newly reorganized Lightning Fleet of sailboats is hosting a regatta on September 28, 2013.

Rear Commodore's Report: R/C Enterline submitted his report, which is filed with the monthly Board packet. In it, he reported that we currently continue to have a full house on the docks. In August, three Regular members were elected. Of those, two have requested and received slips. We assigned them to slips that people were not using for various reasons. As of now, we will need at least six slips to open up this next year so we can accommodate all members wanting a slip. In addition, the 2014 slip application and cover letter will be going out by the end of the month. All members should review their current application and be sure to submit one before November 1<sup>st</sup>. This includes anyone who intends to have a slip, keg, Jet Ski and/or dry sail even if they do not have a boat at the moment but will by spring. The water levels are beginning to recede somewhat but we currently have plenty of water compared to a historical standpoint. We will continue to monitor this situation.

Vice Commodore's Report: V/C Ed Schuler presented his report which is filed with the original Board packet. In it he reported that the House Committee did not meet this month. The Sunday breakfast is improving every week. However, Saturday is lagging behind. The GM and V/C Schuler think this will improve once the membership realizes that we made this available to them. We plan to keep Saturday service through haul out season and return to it in the spring. We ran out of placemats last week. The tables look very nice with the varnished tops exposed. Another added benefit is that it takes less than ninety seconds to wipe down and reset 2 four tops verses much longer with placemats. The GM looked into the vinyl ones Bob Cunningham mentioned, but no one will send samples and you have to buy a case of 50. We both agree that we need them for deck and lawn service. The GM and the Vice Commodore are exploring other options. Our emergency lighting generator was repaired. It had a stuck valve. It currently functions properly, but for how long no one knows. He and the Dockmaster would like to replace this very old unit with something new. Al Church is looking at some old quotes to give us an idea what this will cost. August was a good month for the House. The GM has all the numbers in his report. The second fish fry at the Lighthouse was a huge success. We will schedule more fish fries for fireworks evenings in the future. The Charity Regatta raised over \$32,000 for the Red Cross. The event was well attended. The convection oven is here and in use. The kitchen staff is very happy with it. They say it is a big improvement from the old one.

Commodore's Report: Commodore Niemic presented his report which is filed with the original Board packet. In it he reported that the Charity Regatta was a huge success this year with over \$36,000.00 being raised for the Red Cross. Thanks to all who volunteered. The Reyburn Sailing School Chinese Auction also raised over \$4,000.00. These funds will go towards the purchase of a new 420 sailboat for the school. *Ravine Drive:* We have received the latest \$50,000.00 installment from the Port Authority. These funds have been paid to our contractor for the road Joseph McCormick Construction. This leaves a balance of a little over \$50,000.00 to be paid next year. Thank you to Joseph McCormick Construction for carrying this debt while waiting for the disbursement of the Port Authority Grant money. Tall Ships Erie was exciting as many EYC members greeted the Parade of Sail in Presque Isle Bay. He was fortunate to attend the Captains' Dinner at the Convention Center. Erie native and Captain of the *Pride of Baltimore*, Jamie Trost, gave an inspiring speech about learning to sail out of the Erie Yacht Club on his Uncle P/C Tom Trusts' boat *Keya*. The Erie Yacht Club Foundation's ground breaking ceremony for the Rickloff Community Boat House was well attended. Jim McBrier, president of the Foundation, gave many of the details of the building and fund raising effort. We have raised over 85% of our goal to fund the building. As Commodore, he spoke of how important the Reyburn Sailing School is to the future of the Erie Yacht Club. Key donor Mark Rickloff gave a heartfelt talk of how meaningful this project is to him. The Commodore encourages everyone to help out with the EYC Foundation Phonethon to raise the rest of the funds for the building project. Scheduled dates are September 23rd. and October 8th.

**Committee Reports:**

EYC Foundation: Trustees Mickey McMahon and P/C Dave Heitzenrater reported that the Capital Campaign for the Rickloff Boathouse continues. The Groundbreaking was a good PR event and well attended. The Foundation is working to update its website and is looking to begin discussions to transition its bookkeeping to the Club office after the Capital Campaign winds down in the fourth quarter. Construction has begun.

Membership Committee: The membership makeup before this meeting was as follows:

	<i>As of 9/16/2013</i>	<i>2012-2013 Budget</i>	<i>Caps</i>
Regular	652	657	768
Associate	330	300	300
Special	57	50	
Senior	87	97	
Junior Family	149	175	
Junior	44	40	
JR/JR Fam. Non-Res.	26	19	
Total	1339	1338	
<b><i>Not in CAP</i></b>			
Honorary Regular	8		
Honorary Associate	32	3	
Non-Resident	27	24	
Grand Total	1412	1362	

Junior Sailing: F/C Orlando reported that with the season over, the plans are beginning for next year. Excitement is already building. Regulars will be the first to be able to reserve a spot, then the entire membership and finally the non-members. Payment will be due in the spring. Safety boats are being winterized and some general wear and tear is being repaired. He thanked member Michelle Butterfield of Al’s Awning for her complementary repair of the bimini of the Aquasport. The GM added that his projects are that Junior Sailing will make a profit of about \$3,500 which hasn’t been done in about 10 years. Since the season has ended, this Committee report was then tabled until further notice.

Basin Committee – Update on I-dock status is covered under unfinished business below.

**Unfinished Business:**

Member Charging Issue: On a motion by V/C Schuler with a second by Mickey McMahon, the Board unanimously voted to enter an Executive Session at 6:58 p.m. to discuss a member charging issue. After the discussion, the regular meeting resumed at 7:17 p.m.

I-Dock Project: The GM and Vice Commodore reviewed the new quote for I-dock in detail. There was concern both from the Dockmaster and the Project Manager that because this project will require the membership approval for funding, we will not be able to start until after the Annual Meeting on November 15 and there may not be enough good weather to have the project on schedule for completion by Opening Day 2014. In addition, the original proposal was only a “patch” to repair break walls and upgrade the electric and some of this work would have to be redone at a later date when the full dock upgrade was completed. Therefore, a decision was made to delay construction until September 2014 due to possible weather delays due to the scope of the project. The plan will be revised so that the renovation to I-Dock will be done like A-Dock. Once cost estimates are secured, we will seek bank financing proposals for a membership vote at the 2013 Annual Meeting so that we will be approved and ready to borrow and begin construction in September 2014 immediately at the conclusion of the 2014 boating season. The Board agreed that having one more year of mortgage payments behind us will increase our borrowing power for next year.

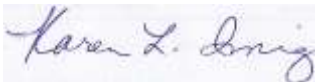
Annual Meeting Resolutions: R/C Enterline reported that the several issues were under discussion for possible inclusion for vote at the Annual Meeting and that he would be meeting with the By-Laws Committee the following Wednesday to discuss them. The Secretary-Treasurer will work with the By-Laws Committee to draft language for some of the Resolutions. They will be ready for Board approval at the October meeting. Issues are as follows: 1) *Nominating Committee 2012 issues- Elect 2/appoint a P/C:* We currently elect three, the longest running member being the 3 year chair. Last year's proposal suggested we only elect 2 and appoint the PC who had been out of office for 5 years. Rationale is that it is difficult to win against a PC and if 4 candidates are running, the PC will win, along with two others, leaving one loser. Thought is a PC *should* be on the Nominating Committee and that others could be elected at the meeting. 2) *Nominating Committee 2013 issues-require 2 for Fleet/5 for Nominating:* Letter submitted this year suggests that we should mandate 2 candidates for Fleet and 5 candidates for Nominating. (We do mandate 4 to run for 2 seats on the Board.) Rationale is that the Nominating Committee does not have to decide on 1 vs. 2. candidates. On Nominating, five candidates assures a diverse field. Plus if we elect three there would be 2 to share the "agony of defeat" instead of 1 alone. 3) *Associate Dues:* By-Laws change to increase Associate dues from \$695 to \$725 to be the same as Regular dues, a \$30 increase; 4) *I-Dock Loan:* Possibly make a new loan or borrow additional funds for I-Dock-amount TBD; 5). *Non-Resident Special:* A surviving spouse of a Non-Resident member has the option of becoming a Special member, but dues for Non-Resident are \$325 and Special dues are \$450, so they would see an increase in dues of \$125. Suggestion is to either allow for a "non-resident" Special and keep dues at \$325 or possibly increase the non-resident dues to \$450; 6) *Social Media Policy:* TBD; 7) *Membership Committee:* Possible clean up of language to match current practice.

**New Business:**

Rickloff Boat House: David Haller reported that he had obtained the building permits. It was asked that he ensure that the permits are in the name of the Erie Yacht Club Foundation; however, because the EYCF does not own the land, they must be in the name of the EYC, the property owner. Four pilings have been driven and the existing posts had been trimmed to the proper height to accept the steel building frame. Plates were added to accept the steel beams and timber frame. Within 2-4 weeks, the steel will be up and then there will be a lull until the timber frame is ready. Dave showed a drawing of the timber frame with open beams which will be exposed inside. The timber frame is being engineered, will then be built, and then will be put up by winter.

Adjournment: V/C Schuler made a motion that we adjourn the meeting; Mickey McMahon provided a second. The motion carried unanimously. The time was 8:21 PM.

Respectfully submitted,



Karen L. Imig  
Secretary/Treasurer