

**LEWES YACHT CLUB
BOARD MEETING
JUNE 10, 2007**

Members present:

| | | | |
|----------------------|--------------------------------|----------------------|-----------------------|
| Bill Miller | Bill Purnell (by phone) | Don Bland | Jud Bennett |
| Jason Burris | Nick Carter | Bob Edelen | Peggy Kernehan |
| Connie Miller | Dana Orton | Bob Petterson | Bill Reardon |
| John Sarik | Barbara Warnell | Ed Wyatt | |

Minutes: The minutes were approved as presented. 1st Bennett; 2nd Warnell, approved.

Treasurer's report (Bland): The cash is up \$185,000 when compared to 2006. The mortgage is now with PNC at 7.0% interest. This is a 15 year fixed mortgage. The United National Bank accounts have been closed. For the clubhouse, sales were down for May. The May budget showed a loss of \$36,000 more than budgeted. The marina fuel sales were down. The pool was not opened in May but swim team fees were collected. There were sales at the Quarterdeck under the Sailing department. The budget for Department 90 General will need to be adjusted as many expenses were more than budgeted such as interest that now needed to include the closing costs of the new mortgage.

B. Miller: The insurance costs for the marina were very low.

D. Bland: The insurance is being reviewed.

House (A. Hastings): A report and calendar was distributed. Sunday 7/1/07 will be the LYC all day BBQ. With the help of John Sarik and friends we will be grilling all day from 12-8 pm. The price is \$12.95 adults and 6.95 children. You can purchase tickets in the front lobby and enjoy the buffet as long as you like. Chicken, hot dogs and hamburgers, potato salad, corn on the cob and much more.

The dining room will be open on Tuesday, 7/3 for lunch and dinner and on 7/4 for lunch.

Saturday 7/14 will be the Clam Bake at \$27.95 per person includes 1 lb whole lobster, steamed shrimp, steamed clams, steamed mussels, potato salad, corn on the cob and coleslaw. There isn't a children's portion for this event but the children's menu will be available. Make your reservation early.

Saturday 7/21 will be the Meet the Candidates night. This is your chance to talk to the candidates...more to follow in the Quick Notes.

Saturday 7/28 is the Pig Roast Luau from 5-9 pm at \$18.95 for adults and \$9.95 for children.

Club sales for May were \$38,066.70 and banquet sales were \$24,250.12.

The House committee and clubhouse employees will be trying to enforce the parking rules for guests. All guest cars need to have a visitors pass and all members must have a sticker. Cars will be tagged on the first offence and towed on the second offence.

Adrienne requested a meeting with Nick Carter, Don Bland and Bob Edelen to review the clubhouse reported numbers for May.

Marina (D. Valeria): The attendance for the Marina Events Day was poor and the Marina committee will review the event to determine if they will sponsor the event again next year. There also was a decline in the number of safety inspections requested. However this is a great benefit to the members so they will be continued next year.

October 6, 2007 will be the Marina Annual picnic. More information will follow later.

Fuel, ice and bait are available at the marina. Please support the LYC marina.

PLEASE READ THE MARINA RULES. They are posted on the LYC web page under MARINA. It could save you and dock master unnecessary embarrassment.

On Tuesday, May 29, there was a burglary at the marina. Several items were taken from members' boats. The authorities have been notified and are investigating. Your dock masters and the marina committee do what they can to insure the safety of your boats and equipment. It is however your responsibility to secure your property. Surveillance equipment is being investigated.

Pool (L. Carter): The pool opened on June 9. There is a substantial increase in flow over 2006. The heaters will be used beginning June 13. The water has been backwashed twice. The new pool manager and swim team coach were introduced to the board and were invited to address the board with any comments or concerns. The limited schedule for the week of June 10-15 was stated. Aquacize will begin daily on June 23.

Sailing (C. Miller): Connie Miller met with this year's instructors on 6/9. Registrations will begin on June 19. There will be a 5 day lesson plan as well as daily lessons. The Optis will be arriving on 7/1. LYC will not be hosting a major regatta this year but possibly an Optis event in 2008. Four of the instructors are returning from last year. There will be Friday races for the Sailing School.

Grounds: No report.

Youth: Dana Orton has a name of a potential chair that will be forwarded to Bill Purnell.

Maintenance (E. Wyatt): Inspections of the geo thermal, Ansul systems, fire extinguishers, fire system and hood fan belts in the kitchen were completed. Batteries were replaced in the faucets and thermostats. The deck furniture was cleaned and repaired. The hose connections on the upper deck are scheduled to be checked and adjusted this week (this will entail the turning off of the water). The leakage problem with the beer tap has been completed. The old steps to the pool have been removed. The old handrails for the pool will be re-installed. The antique oars that were in the old clubhouse will be rehung.

Membership (B. Miller): There have been deposits of \$400 from Membership activities since the last Board meeting. The Waiting list has 181 names. There are 579 active memberships, 65 Senior memberships, 7 members on Leave of Absence and 12 Life members for a total of 663 memberships.

The Directory has been mailed (the fax number is incorrect).

The New Member Orientation was a success with 39 (76%) new members attending, mostly due to the efforts of one of the new members, Ms. JoAnne Stephenson. The

sponsoring members did not attend as well as last year. Marjorie Miller is updating the Commemorative Booklet from the 70th LYC anniversary, hopefully in time for the 75th Gala, using the \$2000 previously approved for this purpose.

Finance (N. Carter): The Finance Committee met on Tuesday, June 5 to review the 2008 budget. Most of the committees have submitted their estimated incomes, operating expenses and capital improvement requests which have been updated and Income/Expense/Capital Reserve Fund spreadsheets developed (Excel spreadsheets were distributed). The 2008 budget will be presented at the August Annual meeting.

The new PNC Bank loan is now in effect with a 15 year fixed loan, amortized over 20 years at 7%. The new loan payments are within our current budget and secure a fixed payment for 15 years; one of the objectives of the finance committee is to pay down the note over that period of time.

The Finance Committee continues to face future challenges of managing and allocating money for aging LYC assets including but not limited to the marina as well as other pressing issues such as additional storage, catering, equipment replacement and landscaping. LYC members are encouraged to submit suggestions and/or attend Finance Committee meetings.

MOTION: The Finance Committee moves that \$25 from each member's dues be applied annually to the Capital Reserve Fund. 1st N. Carter, 2nd Bennett; approved.

The Finance Committee moves that the following recently approved Capital Reserve Fund (CRF) are governed by the following rules:

MOTION: The CRF is to be funded by allocation of all new members joining fees (initiation fee plus stock purchase fee minus the par value of the stock), by an amount set aside as line item from each year's annual dues as approved by the Board and by any excess monies occurring in any of the several departments of the Club at the end of each fiscal year. 1st N. Carter, 2nd Wyatt; approved.

MOTION: The Board may access the CRF for amounts up to \$250,000 by a 2/3 majority vote of the Board of Directors. The monies in the CRF are to be used for Capital Improvements, Emergency Expenses and/or reduction of the Club's indebtedness. 1st N. Carter, 2nd Bennett; approved.

MOTION: For any single Capital Improvement/Expenditure in excess of \$250,000, a referendum of the members is required with at least 2 informational meetings concerning the expenditure held at 1 week intervals at least 6 weeks prior to the actual referendum. The referendum shall be noticed to the membership at least 60 days in advance, by use of the newsletter, the web site and the "Quick Notes". 1st N. Carter, 2nd Bennett; approved.

MOTION: A simple majority of all LYC shares voted shall determine the results of the referendum. 1st N. Carter, 2nd C. Miller; approved.

Burgeemeister (Petterson): There are now 141 burgees with 109 National and 32 International. The International burgees are now located in the downstairs lobby area. When going out of town, take an LYC burgee with you and trade it.

Old Business:

B. Petterson: The Nominating Committee is still working on the election slate.

C. Miller: The Long Range final report is in progress.

New Business:

D. Valeria: Surveillance is an LYC issue. After discussing surveillance with the Marina Committee, the committee was split on its opinion of what is necessary. Most of the members felt that the recent burglary was an isolated incident.

C. Miller: A boat was taken from the racks and found further down the beach. The boats will be secured with cables now. The police have been notified and will be doing drive through throughout the night.

J. Sarik: Are there motion detectors?

E. Wyatt: Yes.

L. Carter: During the construction, tools were stolen. There are cars and trucks driving through this parking lot during the nights.

B. Purnell: This is a continuing problem. A system should be an expandable system to meet future needs.

E. Wyatt: We now have 3 separate companies dealing with our security. We need to combine the systems.

D. Valeria: Can we purchase and install our own monitoring system?

E. Wyatt: Yes. It could be done in house.

B. Miller: We need to be proactive rather than react after the fact.

N. Carter: Signs that there is "surveillance" could be a deterrent.

B. Purnell: An ad hoc committee is needed to look into the problems.

B. Adams: Signs do not work, monitoring may. It is often someone in house that knows the systems.

J. Galloway: The cameras would also show the Inlet parking lot so you may be able to get money from the city.

N. Grey: The city has put up signs for "public beach" therefore it will be ongoing problems.

Membership:

P. Stewart: Where do we get the parking stickers for guests? Could there be enough copies of the reports for the members present?

B. Miller: The visitor parking stickers are available at the pool or from Adrienne.

D. Bland: It has been suggested before to use an overhead projector.

B. Purnell: I would like to see Power Point used.

N. Carter: I could have a summary available.

L. Carter: Why is the deadline for the newsletter items so early? We are now submitting for July.

B. Miller: The calendar needs to be out before the beginning of the month. This month we are meeting 1 week early.

J. Wyatt: The Quick Notes keep the membership up to date.

N. Carter: The cost of the newsletter is very high. (The actual costs were discussed and will be determined).

J. Camponelli: The newsletter is available on line and only needs to be mailed quarterly. Another area is to be proactive to the volunteerism by asking volunteers to cut the grass.

B. Miller: It was suggested to send it out quarterly off season, but some committees need information to go out monthly.

J. Wyatt: Black and white would save costs.

N. Carter: Marjorie does a great job with the newsletter.

B. Purnell: One way to encourage members to use the web to get the newsletter is to give members signed up for the web a \$20 voucher to use for food or drinks.

G. Camponelli: Try advertising on the newsletter to defray costs.

B. Miller: We will look into the newsletter.

B. Edelen: Thank you to all of the workers who helped with the new pool steps.

The meeting was adjourned at 11:20. 1st Bennett, 2nd C. Miller.
Next meeting will be July 8, 2007.

Respectfully submitted,

Peggy Kernehan