

**LEWES YACHT CLUB  
BOARD MEETING  
AUGUST 26, 2006**

**MEMBERS PRESENT:**

<b>Jud Bennett</b>	<b>Don Bland</b>	<b>Bob Edelen</b>	<b>Peggy Kernehan</b>
<b>Bill Massey</b>	<b>Bill Miller</b>	<b>Dana Orton</b>	<b>Bob Petterson</b>
<b>Bill Purnell</b>	<b>Bill Reardon</b>	<b>Barbara Warnell</b>	

**MEMBERS ABSENT (EXPLAINED):**

<b>Jason Burris</b>	<b>Mario DiSabatino</b>	<b>Connie Miller</b>
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The meeting was called to order at 3:03 p.m. by Bill Purnell, Vice-Commodore.

Minutes: The minutes were approved as presented. 1<sup>st</sup> B.Miller, 2<sup>nd</sup> Bennett.

Treasurer's report (Bland): The clubhouse is doing very well (\$33,000 better than budgeted) and the salaries are \$10,000 less than budgeted due to the dining room being closed on Tuesday and Wednesday nights and less overtime. \$3500 profit from catering added to the great numbers posted by the clubhouse.

For the marina, gas sales are down while the cost of fuel is up. The payroll is on target. The aquasize fees are slightly up but the utilities are also up. The salaries are slightly over budget.

The income under sailing is doing fine and salaries are down.

For the general account, the interest income is up due to the higher rates. Waiting list fees have also been collected. The mortgage rate stays at 6.25% for another 18 months.

A thank you was received from Vic Capodonna for the memorial sent by LYC.

House (Edelen): There are 48 unclaimed minimum cards that can be used through December 31.

Monday, September 4 begins the shoulder season. The restaurant will be open for dinner Thursday and Friday nights through Sept. and Friday nights through Dec. 15.

Summer dining improved with a 31% increase. Monday and Thursday dinners were very successful as well as the Tuesday/Wednesday night Happy Hours.

There will have been 36 catered events for FY 06 with 7 scheduled in September. There are 15 scheduled so far for FY 07.

Marina (Reader): The marina committee was given approval at the June Board meeting to contract with P. Ingram for a structural assessment. This will be completed in September and a report will be given at the September board meeting if possible. This assessment will be billed for FY 06.

Pool (Corle): The swim team had over 100 members with 55% LYC members. Aqua Company of Easton, MD was contacted for analysis and recommendations for the pool. A written report should be received soon. The pool will remain open until Oct. 1, 7 am to

7 pm daily. It will be covered by volunteers if a lifeguard is not available. There will be aquacize daily.

Sailing (report from P. Maull read by P. Kernehan): The sailing school ended on August 16<sup>th</sup> having had a most successful year. Attendance and enthusiasm were at their highest levels ever all season.

We concluded the season with a wonderful banquet on the 20<sup>th</sup> which over 110 children and parents attended. This year's student sailors were honored, as well as those who have run the program for the past 25 years. As usual, Adrienne and staff did a fine job with the food, and the "make your own sundaes" served by some parents were a big hit. A flyer listing all personnel over the past 25 years was placed at each table. The many years commitment of these people is to be commended. We have been privileged to have attracted such fine individuals who have shared the ideals of teaching happy, healthy, safe, life-long sailing at LYC.

Remember that all boats on the racks should be taken home or put on the beach on Labor Day. Sailing School boats will be brought up to be store for the winter. All boats still on the property racks will be taken down.

A thank you letter from the International Mobjack Association was read by Don Bland.

B.Purnell: A resolution to honor Peggy Maull at the trophy dinner for all of her work chairing the Sailing committee and Sailing School for many years. 1<sup>st</sup> Bennett, 2<sup>nd</sup> Petterson, approved.

Youth (Orton): There have been many activities this summer. Thank you to Adrienne and her staff for providing refreshments at the activities. The final pool party was held on August 26 with a bonfire. There will be activities for the children throughout the year with more details to follow.

Membership (B.Miller): There are 212 names on the waiting list. Deposits from membership activity since the July meeting totaled \$4000. One Life Member resigned, 12 members have applied for Senior status. New bumper stickers are available at the bar. The Committee met on July 22 with Connie Miller, Commodore, and Bill Purnell, Commodore-elect/Finance chair attending. The six visit rule was discussed. The committee recommends that it be left unchanged. The committee recognizes that enforcement of this rule is virtually impossible and asks the membership to continue to abide by the guest visit limitation on the "honor system".

The committee recommends that the current active membership limit be left at 575 families and that we invite sufficient new members to join to reach that number. The committee approved 2 recommendations to the board that will be made as motions at the September board meeting:

1. The dues should be increased by \$150 to a total of \$900 per year.  
The committee felt this increase is warranted to adjust our fees for the past four years' inflation effects; accommodate the dramatic increase in direct electrical

- energy costs to the Club; accommodate the energy cost increases experienced by our various vendors that will be passed on to LYC in the form of higher prices.
2. The membership should be permitted to split the annual dues/minimums bill. The payments will be done either as an automatic credit card charge or automatic debit against a member's bank account. The first payment (half of the dues plus the \$300 minimum) would occur between October 1 and November 15 and the second payment would occur automatically on or about Feb. 15. If a member chooses this option, a \$25 service charge would occur with each billing for a total of \$50 service charge. Once this split payment option is chosen by a member, the second payment is due with not option for the member to change their mind.

If a member needs to replace a membership booklet, the cost is \$5.00.

On Feb. 6, 2006, the son of a longtime member was mailed an invitation to join LYC. The invitation was returned "unclaimed" on Mar. 3, 2006. This person has now asked to be placed on the waiting list again and hopes that the original \$50, paid in 1998, will be credited to his account. He has already paid an additional \$200 as required to be placed on the waiting list.

Motion: To give this individual credit for his original \$50 paid in 1998. 1<sup>st</sup> B. Miller, 2<sup>nd</sup> Warnell.

After discussion and clarification, the motion was defeated unanimously.

Bennett: Is this standard procedure (to credit \$50)?

Miller: No

Edelen: He is now at the bottom of the list with an additional \$200?

Miller: Yes.

Orton: Did he receive the original invitation?

Miller: It is sent certified mail. He did not claim it at the post office, so it was returned to LYC.

Bennett: What is the age for Senior member and are there a number of years as a member necessary?

Miller: The age is 75 and there is no required number of years.

Maintenance (Wyatt): The fans installed under the deck helped with the fly problem. The problem with the bathroom sinks was that they were not hardwired but photocells. They are now being maintained. The chairs in the dining room must be fixed by Shelley as the backs are coming off. The exhaust fans have been repaired. A fan has been installed to remove heat from the beer compressor. The warranty for the deck railing is being investigated as the railing is discoloring.

Motion: Make a \$100 contribution in memory of Shelley's son. 1<sup>st</sup> Bland, 2<sup>nd</sup> Bennett, approved.

Improvements to the exterior lights will be included in the FY 07 budget.

Grounds: no report

Finance (Purnell): The committees are on budget with the House doing great. The Membership committee proposes that the dues be raised by \$300. The Finance committee proposes that the due regulation be moved to the Finance committee (this will be a bylaw change). Also, a member from each committee be on the Finance Committee.

Preliminary budgets for FY 07 from each committee should be ready for the September meeting.

Compliments were given to all committees for a great year.

Burgees (Pettersen): A new burgee from the Long Island, NY club has been received. There are 9 spaces left.

#### Old Business

Don Bland reported on the election. Thank you to Joan Reader and Peg Stewart for all of their work. 326 member families voted which is 51% eligible.

Winners: Ed Wyatt, John Sarik, and Nick Carter.

Thank you to all who ran and hopefully they will run again another year. The winners will take office October 1.

New Business: None

#### Membership:

J.Reader: The motion on raising the dues should wait until the new board members join the board in October.

Purnell: We cannot wait until October as the bills must go out.

Miller: We meet Sept. 17 and the bills need to go out around Sept. 20.

S. Corle: Why the raise in dues?

Miller: They have not gone up in 4 years. Inflation, energy costs, vendor costs have all gone up. Issues of great costs that will be coming up are the marina and storage. We need a contingency fund. The long range costs are startling.

Purnell: The budget and long range costs go hand in hand. The pool has decking and other issues. Catering has improved but cannot cover all costs. LYC is doing well but we cannot let it go and not plan long range.

Miller: We are doing well but not a profit, we are decreasing deficits.

N.Grey: How much do the dues subsidize the dining?

Purnell: 60% of dues subsidize the dining.

Edelen: The House committee was challenged to lower the deficit and it has been lowered. The problem is that we operate fulltime only 3 months a year with the other 9 month 1-3 days/month other than catering. However, bills come in for all 12 months.

Purnell: The House was given the goal of lowering the budgeted \$200,000 deficit to \$125,000 which it has done. There is a storage problem that needs to be met. The long range facility problem is the marina.

N.Carter: Is there a long range committee?

Purnell: Yes.

N.Carter: Could we raise the minimum by \$200 rather than raise the dues?

Miller: No. The minimum does not cover the deficit.

N.Carter: Is the marina a loan issue?

Purnell: It is too early to discuss the marina. The information is not available yet.

The meeting was recessed at 4:00 so that the General Membership meeting could be called to order. 1<sup>st</sup>. Miller, 2<sup>nd</sup> Bland. Approved.

The Board meeting was then resumed at 5:11 with no further action needed and was adjourned at 5:13 p.m. 1<sup>st</sup> Bennett, 2<sup>nd</sup> Orton. Approved.

Respectfully submitted:

Peggy Kernehan, Secretary