



MINUTES OF THE BOARD OF DIRECTORS OF THE
MENTOR HARBOR YACHTING CLUB
SEPTEMBER 2020 MINUTES

Meeting called to order 18:34

Commodore: Burton

Vice Commodore / Treasurer: Allyn

Rear Commodore: Pettrey

Past Commodore: Price - NP, McLaughlin - NP

Directors: Kubicek, Duer, Balogh, Weber

Secretary: Scarnati

General Manager: Cordova

Motion to waive reading of last month's minutes by J Duer/ 2nd M Weber

A special presentation was given by Walter and Kelley Payerl titled "Proposal for *The Courts* at MHYC Refurbishment." The proposal includes for the entire court surface be cleaned, leveled, and resurfaced with asphalt paving, followed by a proper acrylic sport coating and color. The courts once refurbished, will accommodate the following with overlapping lines:

- 1 – Tennis Court
- 4 – Pickleball Courts
- 1 - Basketball Court
- 1 - Four Square Court

Cost was estimated at \$40,000 to be financed with a capital improvements loan backed by MHYC estimated at \$4800 in yearly costs. This would be offset by a proposed Pickleball Membership of \$200 per family collected at the beginning of the season. It will take 24 active members to cover costs under this method of funding. Other funding options would be a New Yearly Member Court Fee of \$1000 – 1200 per annum similar to Skeet., Last options would be a simple assessment for the total costs to the members. The Board will take the issue under advisement and discuss further in executive session.

General Manager Report: Cordova

1. Food & Beverage Update

- a. September projections will not hit budgeted revenues which are currently \$38k with \$45K budgeted. Wednesday night sales off. Board discussed Theme Nights. The concept is overpriced and does not have the support of the Membership. Board has rejected single menu theme nights with no ala cart dining on a go forward basis. Also based on the current projections, new club dining hours will be published closing Monday through Wednesday entirely and also Thursday Lunch.

Motion to reduce dining hours by eliminating Wednesday Night & Thursday Lunch by C Burton / 2nd M Pettrey – Motion Carried

- b. Board continues to discuss Banquet Sales. Club will need to reverse an earlier motion to suspend banquet sales. In capacity of F&B manager, it was suggested John Winters becomes more involved in sourcing and managing banquet sales.

Motion to resume Banquet Sales if proper state guidelines are observed by M Weber / 2nd M Pettrey – Motion Carried

2. Tree and Sidewalk Project

- a. Sidewalk outside the gate to the east has been cited by the City and must be removed and reestablished.
- b. Tree roots were the cause. Cost of \$5,500 needed to remove trees and stumps.
- c. All concrete is now removed. Cost to Replace \$4,000
- d. Project is moving forward to keep Club in compliance with City Ordinances.

3. October Planning

- a. A MHYC Clam Bake is scheduled for 10/10/2020
- b. The Board recommended the Halloween Party be re-established. J Cordova to coordinate.
- c. An Entertainment Committee Meeting was requested by the Board to boost Membership participation as the Club activities move inside...Speak Easy in lower level, continued entertainment and other fun items will be discussed.

4. Membership Comments

- a. Negative comments were received concerning the grounds. More diligence will need paid to the policing of the grounds. A list needs generated for unsightly items that need addressed around the club. The Board would like more attention paid to this issue in a timelier manner.

5. Accounting System Upgrade – K Balogh to study financial reporting with Controller

Treasure's Report: Allyn

1. Sales

- a. Overall operating sales in August were down 11% compared to 2019 after being up 12% in July.
- b. F&B Sales were flat compared to 2019 (excluding banquets which brought \$21k in August 2019).
- c. Fuel Sales were up 6% for the month compared to 2019. YTD fuel sales provided \$41k in gross profit compared to \$43k last year and a \$45k budget.
- d. Junior Activities sales reached \$106k YTD, 17% higher than 2019.
- e. Harbor Chest sales continue to be good with \$3k for the month of August, bring YTD sales to near \$10K with a 50% profit margin.

2. Expenses
 - a. F&B continues to be an issue. F&B payroll was \$7.5k higher than last year on \$12k of lower sales for August. YTD F&B expenses other than payroll are \$20k higher on \$75k lower sales. F&B loss is (\$54k)
 - b. Other departments expenses are in line with revenues and expectations.
3. YTD Financials through August 2020
 - a. Income was \$1,227k verses YTD Budget of \$1,327k. 2019 YTD Income for the same period was \$1,129K.
 - b. Expenses were \$1,265k verses YTD Budget of \$1,258k. 2019 YTD Expenses for the same period was \$1,237k.
 - c. YTD Net Income (Loss) prior to interest and depreciation was a loss of (\$38k) verses a budgeted gain of \$68k. 2019 YTD Net Income gain for the same period was \$63k.
4. Cash is becoming tight as F&B losses continue with virtually the same payroll as last year. PPP monies can not be applied until the amounts are forgiven by the SBA.

Membership Report: Duer

1. FME is at 133 down 6 from August. FME for the purpose of budgeting was 131. Total reported members as of the meeting was 197.
2. New members have been split into groups of 4-5 so committee persons may reach out the each new member personally to follow up on their experience at the club so far.
3. Summer Fun members who don't want to transition to Social members will be offered \$200/month rate until April 2021.
4. A reduced initiation fee was presented for First Responders, Veterans both active and retired, EMS and the Medical fields which will require a motion by the Board.

Motion to establish a \$500 discount off Full and Yachtsman Initiation Fees and \$250 off Social Initiation Fees for First Responders, Veterans both active and retired, EMS and the Medica personnel by C Burton / 2nd D Allyn – Motion Carried

5. Membership Changes
 - a. Jim Egensperger - Yachtsman
 - b. John P. Gelsimino - Yachtsman
 - c. Ed Guest - Yachtsman
 - d. Sue Workman - Yachtsman
 - e. Dr. William Annable - Social
 - f. Elizabeth Gooden - Social

Motion to approve Membership Changes above by C Burton / 2nd D Allyn. Motion carried

6. The Antique Car Show was suggested to be scheduled 10-3-2020

Motion to approve Antique Car Show at MHYC on 10-3-2020 by D Allyn / 2nd M Weber. Motion carried

House Report: Weber

1. Items Completed this Period:
 - a. Hired & trained fall & winter servers.

- b. New wine & cocktail menu was established.
 - c. Review of an inexpensive way to better provide pedestrian access to front gate for exiting.
 - d. Reviewed low lighting on patio stairs to locker rooms
 - e. Reviewed playground structure for safety concerns
2. Nine quotes for Board Approval were presented mainly for Club maintenance. Two items were approved by motion below.

Motion to approve Replacement of two western Lounge Windows for \$5,627 and refinish the Main Flag Pole for \$1,800 by G Kubicek / 2nd C Burton. Motion carried

Harbor Report: Balogh

1. East Beach Electrical:
 - a. Two attempts were made to directional bore across the channel at approximately 25 feet below the surface
 - b. The boring sub broke two pieces of equipment totaling \$6k. MHYC will not be charged.
 - c. There will be one more attempt made that will increase original costs by \$2k.
2. Harbor Financials
 - a. 12-month Harbor Income is estimated at \$458k against a budget of \$463k. Estimated Income figures noted contain 10 months of hard numbers.
 - b. 12-month Harbor Expenses is estimated at \$343k against a budget of \$377. Estimated Income figures noted contain 10 months of hard numbers. Expenses include \$35k for Oct. 2019 Harbor repairs & the East Beach Electrical.
 - c. Harbor numbers strong at \$115k net profit.
3. New Harbor entrance signs were installed but the Board recommended that the MHYC portion of the signs be covered since costs for channel are shared.
4. Channel / Corp of Engineers – Geotechnical investigation is near complete with minor disruption to Harbor traffic. At some point, MHYC will need to tackle the capital improvement costs representing the Club's contribution to the channel expansion. The Board recommended a Sub Committee be formed once the final design is completed to leverage grants or other political pressures to complete the enhancements and reduce MHYC exposure.
5. Fuel dock personnel will be cut to one person. Hours will be Monday-Sunday 8am to 730pm
6. Cordova & Jablonski have decided to purchase a used truck & plow found a couple months ago.
7. Conversations need to be had with fuel supplier in an attempt to stop private fuel deliveries in the Lagoons. K Balogh to make contact.
8. Freedom Boat Club (FBC) expressed interest into enhancing D Dock bulkhead wall and consolidate FBC boats to this area. It was proposed that Club would do the work with costs paid by FBC. Discussions concluded that this proposal would free up several finger docks and utilize a currently unutilized space. A future motion will be needed to complete D Dock Bulkhead modifications once costs have been finalized. The Board requested a motion to extends FBC contract for one year.

Motion to approve extend Freedom Boat Club contract extension through 2021 by G Kubicek / 2nd K Balogh. Motion carried

IT Committee Report: Kubicek

1. It was shared with the Board that two new members are IT professionals which could possibly enhance the IT Committee.
2. A total system back up is pending.

Junior Activities – K Allyn (NP) (reference report distributed at the September BOD Meeting)

Entertainment – L Burton (NP)

1. Entertainment Committee to conduct a brainstorming session to engage membership as the weather forces members indoors.
2. The Board verbally agreed to let the Halloween Party move forward this year.

Rear Commodore's Report: Pettrey – No report

Vice Commodore's Report: Allyn – No report

Commodore's Report: Burton

1. Commodore Burton expressed his thanks for the hard work of all the committees and staff.

Motion to Adjourn by M Weber / 2nd J Duer. Motion carried

Meeting Adjourned 20:50