



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

Meeting called to order 18:02

Commodore: Burton

Vice Commodore / Treasurer: Allyn

Rear Commodore: Pettrey

Past Commodore: Price, McLaughlin

Directors: Kubicek, Duer, Balogh, Weber - NP

Secretary: Scarnati

General Manager: Cordova

Motion to waive reading of last month's minutes by M Pettrey/ 2nd J Duer - Motion carried.

General Manager Report: Cordova

1. Food & Beverage Update
 - a. F&B sales in September slightly exceeded last year's same month totals though overall financials showed a \$34k loss for the year. Restaurant and bar were \$7500 over budget for the revenue generated. Banquet sales were extremely under budget with only \$1600 booked to date. John Winters is now controlling labor. By cutting labor through October, profitability has increased.
 - b. A pub style menu is to be implemented in November. Jamie to directly control kitchen labor.
2. Jonas accounting system needs updated. Ken Balogh has written an interface to Jonas to curb redundancy and simplify inputs and calculations.
3. Club will remain open as long as possible. Upcoming events include Cruising Fleet Banquet, Rum Tasting Dinner, Coffee with the Commodore, Iron Chef Competition and Guest Bartender Event. The Volunteer Appreciation event will be also held in the Dining Room area. Discussions ensues concerning the Guest Bartender Event and it was suggested the Bar area be closed and set up in the dining area to space guests properly.
4. Kate Brown – Painting Donation. Board was appreciative of the donation though concerns were expressed about the size. Dimensions of the piece are 60" L x 48" H. Board suggested hanging the artwork by the fireplace.

Motion to approve the display of the donated Kate Brown art piece by D Allyn / 2nd C Burton – Motion Carried

Treasure's Report: Allyn

1. Sales
 - a. Dues are up \$24k YTD
 - b. Harbor Chest is up \$4k
 - c. F&B is down \$66k
 - d. Harbor is down \$11k
 - e. Jr Activities is up \$22k
 - f. Fuel sales yielded \$49k in gross profit which was the same as 2019 and only \$3k off the pre-COVID-19 2020 forecast.
2. Payroll Expense is \$665k which is equal to 2019. Payroll by department is below:
 - a. House - \$29k lower than last year
 - b. F&B - \$30k higher on \$66k less revenue
 - c. Harbor - \$16k lower on \$11k less sales
 - d. Pool – Same as prior year
 - e. Jr. Activities - \$13k higher on \$22k of higher sales
 - f. All other combined expenses are \$6k higher than 2019
3. YTD Financials is yielding a loss before depreciation of (\$43k). This will be reduced to (\$13k) if adjusted for out of period expense, compared to a \$94k profit in 2019.
4. Cash position continues to be extremely tight due to operating loss, the out of period vendor expense and trade payables improvement. Cash balance is \$32k warranting and immediate expense reduction.
5. PPP loan forgiveness is in process by the outside consultants.
6. Incoming Treasurer Ken Balogh presented preliminary October financials and a first round projected 2021 budget. The Board is to comment on the budgets and an additional financial meeting is projected.

Membership Report: Duer

1. FME (Full Member Equivalent) is at 138 up 5 from September. Total reported members as of the BOD meeting was 204, up from 197 the previous month.
2. Summer Fun memberships are due to expire. Eight SF members have transitioned to Social status. Discussions ensued around extending the membership status to spring. If the extension is approved by the Board, monthly dues will be \$200/month until April 2021 to help boost F&B revenues. This item is still under consideration by the Board.
3. 2021 Initiation / Due Structure:
 - a. Full Member – Initiation \$3500 (same as 2020) / Dues to remain the same
 - b. Yachtsman – Initiation \$1500 (increase from \$1000 in 2020) / Dues to remain the same
 - c. Social – Initiation \$1000 (same as 2020) / Dues to remain the same
 - d. Summer Fun – Initiation \$250 (increase from \$200 in 2020) / Dues to go to \$250 up \$50 from 2020

Motion to approve 2021 Membership Initiation / Dues structure as presented by C Burton / 2nd M Pettrey – Motion Carried

4. Membership Changes
 - a. Tom Kipp – Full to Non-Resident under pre-2012 rules
 - b. Jack Haas – Designation from Full Member
 - c. Katelyn Capek – Resignation from Junior Member

Motion to approve Membership Changes above by K Balogh / 2nd M Pettrey - Motion carried

5. Winter Storage Customers / Club Use Proposal - As an incentive to non-member storage customers to familiarize them to the club for potential membership, the Club would invite usage of the facilities for dining and/or other winter events. The Board will take the proposal under consideration and wished to revisit the offer at a later date.

House Report: Cordova (Weber – NP)

1. Items Completed or in progress this period:
 - a. Reduction of staff by Cordova & Winters
 - b. New Pub Menu
 - c. All wine lockers have been sold
 - d. Completed sidewalk & tree removal at front entrance
 - e. Aqua Dam #1 was removed
 - f. Parking Lot Lights were serviced by CEI
 - g. Kitchen hood motor was replaced
 - h. West lounge windows ordered and awaiting installation
 - i. Pickle Ball court renovation to move forward. Completion in the spring
 - j. Working on flagpole refurbishment
 - k. Working on cost to refurbish playground structures
 - l. Working on selling refrigeration units and clean up snack bar by 11/30
 - m. Working on East Beach cleanup plan.
 - n. Working on Pool Pump replacement during off season.
 - o. Working on painting of front fence around parking area where trees were removed
 - p. Working on additional landscape lighting in front parking area
2. Thank you to the following Members that went above and beyond for MHYC:
 - a. PC Logsdon (CEI Lights / Plantings / Tennis Court Electric)
 - b. Antonio DeJesus (Flagpole)
 - c. Jon Duer (Flagpole)
 - d. Tom Ruff (Flagpole)
 - e. Jason Lallo (Front Walk / Tennis Courts)
 - f. Walter & Kelley Payerl (Tennis Courts / Pickle Ball)

Harbor Report: Balogh

1. East Beach Electrical:
 - a. Directional Boring was a success. Total cost for boring was approx. \$10K due to the difficulties pulling conduits under the channel.
 - b. Multiple bids were received for the new cable & junction boxes including installation.
 - c. After discussions, the Harbor Committee recommends Ruff Neon Signs and Lighting Maintenance, Inc. based on a \$21k proposal.

An electronic Motion to approve \$21,986 for Ruff Neon Signs and Lighting Maintenance, Inc. to restore East Beach electrical was voted on by email - Motion carried

2. Harbor Financials - Based on an October projection, Net Profit (before depreciation & interest) was \$129k. This figure is up \$40k from the YTD Budget and up \$17.5K from last year's YTD actual.
3. The 2021 Dredging budgets submitted to the City of Mentor was \$154.5k. MHYC and the City of Mentor split costs at 56% for the City and 44% to MHYC, The budget assumes 12,500 cu yds of material will be removed from the channel in 2021. The 19-year average is 14,329 cu yds. Concerns were expressed in committee that should low water levels return, the deficit will need to be removed with at an estimated cost of \$80K above current estimates.
4. Channel / Corp of Engineers – Geotech was completed and design efforts continue by the Corp, though work is progressing slow.
5. Channel Geotech Investigation totaled \$51k – Huffman billed \$30k initially. The City & County paid \$17k each. MHYC's share is also \$17k leaving a \$3-4K balance, also to be split equally between the three entities.
6. Fuel dock staff was cut. Mike J and Jake to man the docks when needed.
7. It was reported by J Cordova that MHYC is to receive Platinum status from the Clean Marina Program which may help facilitate grants for future pump out upgrades.
8. Harbor reports Dock Routine Maintenance needs addressed as bolt connections are highly stressed due to surge. Bolts are bending as the holes are also getting enlarged due to the motion.
9. Harbor truck & plow purchased via a \$11k truck loan as recommended by the Board in prior sessions.

IT Committee Report: Kubicek

1. A \$1500 investment is needed to enhance backup systems for all club digital data. Monies were allocated in the budget and the Board recommended IT proceed.
2. Jonas upgrades were discussed. The Jonas system has better options which need to be explored. One option would be moving to the Cloud where off site hosting would eliminate the need for other in-house system upgrades. Costs for cloud hosting will be explored.
3. Many members have had issues connecting with Member Wi-Fi. The board was informed the password was changed but no one had informed the membership.

Junior Activities: K Allyn (NP) – No report

Entertainment: L Burton (NP) – No report

Rear Commodore's Report: Pettrey – No report

Vice Commodore's Report: Allyn – No report

Commodore's Report: Burton

1. Commodore Burton expressed his thanks again for the hard work of all the committees and staff as this will be his last meeting as Commodore.
2. The Board also joined Commodore Burton's thanks and appreciation to PC Price for his 10 years of service to the Board along with PC McLaughlin's 9 years served.

Motion to Adjourn by D Price / 2nd K Balogh - Motion carried

Meeting Adjourned 19:50