

**Lake Geneva Yacht Club
Board of Directors Meeting
November 3, 2012**

A regular meeting of the Lake Geneva Yacht Club was held at Lake Geneva Yacht Club on November 3, 2012 at 9:00 a.m.

Present: John Simms, Jr., Commodore
Terry Blanchard, Vice Commodore
Rod Rieger, Rear Commodore
Tim Doran, Treasurer
John DeCarlo, Secretary
Michael Keefe, Retiring Commodore
Directors:
Kristin Gannon
John Kivlin
Andrew Wilson
Bob Winter
Steve Boho
Frank Davenport
Tom Larimer
Jay Jones
Tom Larimer
Dan Barker

Non Board

Attendees: Gerry Millsap, David Gallagher, Don Holst, Bob Pagel, Michael Sharrin,
Tom Freytag, Peter Ferris,

Document Approval

Minutes of Previous Meeting

A motion to approve the September 30, 2012 Board of Directors meeting minutes was made by Tim Doran and seconded by Rod Rieger. The motion was approved.

Officers Report

Commodores Report (John D. Simms, Jr.)

Negotiations are continuing with the GLSS. John reviewed the present plan for staff positions at the LGYC. Michael Moore was made operations manager with responsibility for the restaurant operation and the grounds. Pam Hilton will continue as executive secretary with a job description that includes financials, communications, record keeping and several additional internal operational functions of the LGYC.

Vice Commodores Report (Terry Blanchard)

Terry reported that the roof on building # 1 has been completed and the builder has accepted the \$4,000 settlement of overage costs for the project. Additional siding has been repaired on building # 1 and two doors will be replaced in the next week. Josh has been terminated from his responsibilities in the kitchen. Hoists 1, 2, 4 have been removed from service. All boats present on the property have been placed in storage.

Rear Commodores Report (Rod Rieger)

Tentative agreement on all three documents (management agreement, sublease and ground lease) has been reached with the GLSS.

Volunteer recognition dinner will be held at Abby Springs tonight with cocktails at 6 PM. The cost is \$32.37 per person. Rod reviewed expenses for the Flagship and boat two. Flagship fall expenses will be \$2218.00 and the spring expenses will be \$2820.00 with additional needs for a waterline stripe, hull stringer paint, hydraulic valve, winch overhaul and the addition of an anchor chain subber.

Boat two expenses amount to \$1,590.00. These items are within budget and require no board approval. Rod reviewed the summer regatta season plans.

Club 420 regatta: The 420 regatta is planned for July 10 thru 13 which leaves the 14th open for club racing. Dana Rolander is to be the Chairperson for the event.

Fall Melges 24 regatta: A discussion followed regarding the possible change of the Sept 13 to 15th date.

The E Scow Spring Championship: This will be held on May 18th and 19th.

The A Scow Nationals will be June 20 thru 22 and will be chaired by Terry Blanchard.

The Melges 17 National Championship will be August 23 thru 25th.

E Scow Nationals will be Sept 5th thru the 8th.

The Melges 24 regatta may conflict with the MC fall series. An accommodation will be attempted to maintain a 7 race MC fall series.

Volunteers: A discussion followed regarding the expected overload on volunteer with the 2013 regatta schedule. We need to have a plan to look at these regattas as an overall summer event and encourage volunteer and get sponsorship for the events. Michael Keefe commented to the poor attendance at the trophy dinner. Further discussion is needed to revise our thinking on this event. Appreciation dinner is tonight with an estimated 55 volunteers attending the dinner. Future plans for the volunteer dinner and trophy dinner should be an agenda item in the future.

Secretary Report (John DeCarlo)

We will be proceeding with redesigning of the web-site so suggestions from all members would be appreciated. Our first task is to better design the race results reporting. Jane Pagel has notified Pam Hilton that she will delay the newsletter until the spring due to other commitments.

Treasures Report (Tim Doran)

The budget report for September was favorable for 2012 but unfavorable to prior year. F&B was short of budget possibly due to bad weather. Cash on hand is \$331,550. Membership is down to 234 vs. budget projection based on 250. Net income was \$30,123 which is favorable to budget.

Committee Reports

Trophy Committee (Bob Pagel)

There was a post trophy Saturday pickup of Trophies that was quite successful.

Distribution of Sonar Class Perpetual Trophies (no Sonar races in 2012)

The M24 fleet would like to have three of the Sonar trophies re-dedicated to the M24 fleet to be raced for: length of the Lake, July 4th, Spring Series 1st. This should be brought up as a new business item.

Two newly donated trophies for Melges 24 fleet by Steve Boho

1) Lady Catherine Perpetual Trophy to be awarded annually to the series A champion

2) M24 Perpetual Trophy to be awarded annually to the winner of the Series B

This will be brought up as new business at the next meeting. Steve Boho was thanked for his generous offer.

Recaptured trophy returned to LGYC

A 1930's member of the E fleet returned a trophy to the club. It will be awarded annually to the winner of a Class E Series A race.

A motion was made by Frank Davenport and seconded by Tim Doran to approve the new perpetual trophy for the Class E series A race. The motion was approved.

Financial report of the Trophy Committee

\$2945.60 was spent for the engraving of perpetual trophies.

\$1508.60 for engraving winner's names which will be billed to members

\$778.38 for purchase of 5 plaques for Class A-Sheridan, Dr O.L.Schmidt Memorial, I-4 model and class E: Expert Challenger Cup, and A.F.Gatz, Jr. Memorial trophy.

New Facilities Update

Operations Committee (Rod Rieger)

We are at 99 % of the final document design. The agreements allow for tax exempt donated money to the GLSS to be utilized to build the new building and maintain ownership of the building. There has to be a payment back to the sailing school of equity to show the sailing school maintains its fiduciary responsibility as a 501c3 organization. The LGYC will lease most of its property pack to the GLSS and this cost counterbalances the donations that the GLSS utilizes to build the facility. LGYC maintains property ownership and the sailing school will have a lease on the property. GLSS

will then sub leases back to the LGYC the part of the building utilized by the LGYC along with several storage buildings. We balanced the value of the property against the current value of the GLSS lease.

Rod then reviewed the three documents in detail. Rod noted that the management agreement is the controlling document with a two directional control of the facility. Rod reviewed the philosophical background of the documents and briefly reviewed the highlights of the documents emphasizing the intent of particular items. It was decided that the board members should review the documents and return in a short period of time to review questions and make a final decision on the documents. Rod reviewed the potential makeup of the board of the operational committee noting that it contains two members of the GLSS and two members of the LGYC with a tie to be broken by the LGYC. It will probably consist of two flag officers of the LGYC and possibly the President and treasurer of the GLSS.

He reviewed the arrangement between the LGYC and GLSS on building #4.

Michael Keefe reviewed the past, present and possible future situations regarding the property tax.

Financial Committee

Bob Winter reviewed the summary of the appraisal of the property and methodology used in determining the rental arrangements that's found in the agreement.

Terry Blanchard reviewed the financial projections over the next 5 years. Terry presented two different models: 1) what will our financial picture be if nothing is done 2) what will our financial picture be with a new facility based on a membership of 225.

Need additional information as to actual white box building cost vs. finished building cost. Michael Keefe will attempt to get some better specification on the allowance issue.

Bob Winter concluded that this is a rather tenuous financial project and everyone on the board needs to determine if we desire to move forward.

Membership

Frank Davenport noted that we need to put an effort toward improvement in membership. Kristin Gannon stated that she can assist in surveys of present and past members along with non-member lake residents to see if we can get a better insight as to our membership problem. Bob Winter noted that we need to be a part of the community and felt that the club membership needs more outreach to the community.

New Clubhouse Committee (Mike Keefe)

We are ready to build all we need is a building permit. But do we have the will to finish the project? Our budget does not have furniture and fixtures. Michael noted we have allowances in our 2.5 million projects. A completed building will be at 2.5 Million. White box building cost at 2.3 million according to Tom Freytag. We will need to be disciplined to not overrun the allowances. Michael Keefe will forward the particulars on the allowances.

New Business

M24Trophy (Steve Boho)

Discussed under trophy committee report and to be revisited at next meeting

Next Meeting

John Simms will communicate with the board for a special meeting to vote on the documents.

Adjournment

Motion to adjourn made at 3:06 PM by Jim Smith and seconded by John DeCarlo. Motion unanimously approved.

Respectively submitted

John DeCarlo

Secretary

Attachments

Treasures Report

3 joint documents

New Business Consideration

M24Trophy (Steve Boho)

Trophy re-dedication plans