

PORTSMOUTH YACHT CLUB

**MINUTES OF BOARD OF DIRECTORS MEETING
THURSDAY, January 14, 2010
AT ONE SKY, PORTSMOUTH, NH
Version 2**

PRESENT: Comm. Dionne, R/C Weller, DV/C Kemen, Treasurer Rushforth, P/C Adams, Capts. Clement, Gingras, Hefferan, Kennedy, MacHardy, Michael, Secretary Cartnick

NOT PRESENT: V/C Leto, P/C Courteau

There being a quorum present, Commodore called the meeting to order at 7:00 pm.

SECRETARY'S REPORT, Secretary Cartnick

Secretary Cartnick handed out minutes of the December 10, 2009 Board of Directors. It was MSP to accept the minutes of the meeting and to post them on the website and on the secure bulletin board.

A list of applicants waiting for membership was provided. We have received one resignation and one more application for membership. Currently, there are 16 people on the Wait List, and 2 people awaiting interviews by the Membership Committee. It was noted that, due to one resignation, the first person on the Wait List, Ted Lord, will receive a letter of invitation to join.

TREASURER'S REPORT

Balance Sheet

Total cash \$167,987 Last year \$177,804
Unrestricted cash \$106,218: \$40,885 remaining 2009 and \$65,333 from 2010 revenue
Restricted cash \$61,769
Property & Equipment increased by \$71,297 for 2009
Mortgage principal balance \$45,538
Accounts receivable: some insignificant amounts due from 2009 season

Revenue and Expense Statement

Overall, the fiscal year ending December 31 was favorable. Aside from a shortfall in fuel sales, income received was slightly above the original revenue projections. Gross margins for both fuel and social functions were somewhat comparable to last year. Many overhead expense items were above last year's level by a reasonable inflationary rate. Our payroll expense category was significantly higher than last year due to more staffing hours at a higher mean wage rate. The launch and clubhouse expense categories were also higher in comparison to last year. There were two major repairs to the Honda during the season for \$2,872 and the wood floor was refinished for \$1,922.

During the year, savings were achieved with credit card merchant fees and mortgage interest, as I was able to negotiate lower percentage points for these functions. Depreciation, a non-cash expense category, has increased as we started to amortize all of the dock and other recent investments.

Looking ahead to 2010, we could probably improve the printing and general supplies expense categories.

Net increase (profit) for fiscal 2009 is \$20,119.

After discussion, it was MSP to approve the Treasurer's report.

REAR COMMODORE'S REPORT, R/C Weller

The 2009 season ended on a positive note with the Christmas Dinner Dance on December 12 at the Portsmouth Country Club. The weather this year was accommodating and the event was well attended, with 96 members and guests in attendance. Many thanks to the Grapers for hosting the event. The Michaels will be hosting the event next December 11, with the Grapers assisting.

The annual New Year's Brunch held at the Breakfast Hill Golf Club was another success. Many thanks to Jackie Adams and Wayne Murray for hosting the event. Positive comments were received about the facility and abundance of food, though it was mentioned that the line through the buffet did move fairly slowly. This could be corrected by serving from both sides of the tables in the future. I have looked at other facilities for next year's brunch – the Galley Hatch Conference Center and the Exeter Inn. I will compare these with Breakfast Hill.

The next event is the Spring Dinner on March 27. Jinny Burgess is hosting this event with the help of Fran Mallon and Nancy Gulley. The dinner will be at Ashworth by the Sea in Hampton. The speaker will be David Buckman, an author and sailor. He will be giving an entertaining presentation and slide show about a cruise along the coast of New England and Nova Scotia in a \$400 day sailer.

The 2010 social calendar is almost complete. Marty Smith, Jan Carson, Peggy Scott, Sue Bowman, Norma Roberts, and Elaine Syracuse have all agreed to work on the opening dinner dance. We have a number of people interested in working on the three breakfasts, but need a leader and a few more hands to help. The Ladies Committee will decide on a date for the Ladies Committee Cocktail Party at their meeting during the first Wednesday Night Dinner.

Talks have been progressing with the potential new caterer, Carol Spencer. I believe we will reach an agreement next week. Jerry and I have chosen dates to bring in restaurant catered meals. Jerry will be making arrangements with the restaurants.

As with last year, the next newsletter will be a March/April edition. Articles for the newsletter need to be sent to Jean Richard no later than Sunday, February 7.

After discussion, it was MSP to approve the Rear Commodore's report.

REPORT OF VICE COMMODORE, DV/C Kemen

Letters were sent to the 2009 dock staff. Five of the eight dock staff are returning for the 2010 season. They are as follows: Kevin, Marieke, Ryan, Evan, and Sarah. January 15 is the reply deadline for returning staff. Any suggestions from the board on how one fills these three open positions would be appreciated. In response, Capt. Clement offered the name of someone who had expressed interest. Capt. Gingras also suggested that a letter to the Maritime Academy may produce some applicants.

Capt. Whitney Saidla held an Interior Decorating Committee Meeting at his office. Several phases of this project were discussed, such as new carpet, sound deadening panels, etc.

Pepperrell Cove Mooring Service has sent the EOY Mooring Report. I have also requested that PCMS send their General Liability Policy for 2010 so we have it on file. Also, we will be setting up our yearly meeting and signing the yearly contract.

Charlie Leto and I are in the process of accumulating the project list for the 2010 season, and we will set a date in the near future for the House and Docks Committee to review this list.

The surface bolts have been installed on the double doors going out on the back porch. No keys are needed to operate them.

After discussion, it was MSP to approve the Vice Commodore's report.

REPORT OF COMMODORE, Comm. Dionne

On Dec. 15, 2009, the Membership Committee conducted interviews with the following Membership Applicants and their Sponsors:

John & Caroline Barrie
Thomas & Elizabeth Burbank
Roger & Melissa Rivers
Alexander & Katherine Dittami
James & Carolyn McAdams

As a result of the interviews, the Membership Committee believes that all of the above noted Membership Applicants are eligible for Membership and recommends that they be placed on the Wait List. At this time we have 17 Applicants on the confirmed Wait List.

At my request Capt. Joe Cunningham has contacted KPYC in order to determine if members of PYC could become involved in the Sailing School Program offered by the Kittery Point Yacht Club. The results of Capt. Cunningham's efforts will be discussed under New Business.

After discussion, it was MSP to approve the Commodore's report.

OLD BUSINESS

1. Codifying Board Resolutions proposed by Capt. Dan Gingras.

Capt. Gingras reviewed the motion which he had presented last fall which is follows:

I propose that all decisions of the Board involving policy, that is, items which should have a binding effect on members or decisions into the future, be codified in a book of Board resolutions which have the full text of the resolution and an index to each and every resolution in the book. This will allow a continuity of decision making between Boards as institutional knowledge will be passed down from one Board to another. This book of resolutions should be published or put on the web site so that all members will understand the club policies.

Commodore Dionne said that he had reviewed Board minutes dating back to 2006 and provided a document to the Board which includes Board resolutions made during those meetings. Each resolution is paraphrased and categorized according to topic. Commodore Dionne asked the Board to review the document for accuracy in paraphrasing.

It was MSP that the club Secretary will maintain the book of resolutions. Each resolution will be identified by topic and date which it was agreed upon by the Board. The book will include an index by topic.

2. Extraordinary Expenditures Resolution proposed by Capt. Dan Gingras.

Capt. Gingras reviewed another motion which he had presented last fall concerning the need for a process to approve and document extraordinary expenditures.

Treasurer Rushforth reviewed the motivation for this proposal, which was his request that the requirements for extraordinary expenditures be documented prior to payment. Discussion ensued as to estimates in the CIP and whether they need to adhere to a more specific process prior to payment. P/C Adams mentioned that the club By-Laws include the provision that items in the CIP are approved and funded by the Board prior to presentation at the Annual Meeting. Capt. Clement also indicated that every effort should be made to get two firm quotes before items are presented in the CIP. Capt. Gingras additionally explained that he feels we need to ensure an auditable process for large expenditures which may arise and which are not identified in the CIP. Concern was expressed that we ensure that we have a mechanism to respond to emergencies. Capt. Clement indicated that, in an emergency, calls can be made to Board members for approval of a large, immediate expenditure.

An alternate resolution proposed by Commodore Dionne reads as follows:

Extraordinary Expenditures are purchases of goods and/or services outside of the approved annual budget for such goods and services. No member, officer, director, or employee of PYC may make such a purchase without the express approval of the PYC Board of Directors except for the following:

The officers of PYC may purchase goods and/or services without the consent of the Board of Directors in an amount

of up to \$1000 and in an amount of up to \$3000 in the case of an emergency concerning the structure or integrity of any of the PYC physical facilities.

Any purchase of goods and/or services in an amount over \$3000 must be put out to bid to at least two vendors. All bid responses shall be reviewed by the Board of Directors, who shall have sole responsibility to select the winning bid. The Board of Directors shall not be obligated to accept the lowest cost bid.

Any extraordinary expenditure authorized by the Board of Directors shall be communicated in writing to the Treasurer for payment. The Treasurer is not authorized to dispense funds for extraordinary expenditures without this explicit authorization.

After further discussion, Capt. Gingras made a motion to accept the above modification to the original proposal. It was MSP to accept the above resolution and to add this to the club By-Laws.

3. Nominating Committee.

Commodore Art Dionne mentioned that the Board is required to formally vote on the two past Commodores chosen by the current Commodore to be members of the Nominating Committee. Commodore Dionne asked for a vote of approval of P/C Bob Blanchard and P/C Jackie Adams as members of the Nominating Committee. All votes were in favor.

4. Executive Session, Personnel Matters.

At this point, Commodore Dionne made a motion to move the meeting into Executive session to discuss personnel matters. The motion was seconded by Capt. Michaels, and approved by the Board.

Following the Executive Session, the Board continued with discussion of New Business.

5. Membership in Yachting Club of America.

P/C Adams reviewed conversation in a previous meeting about whether PYC should continue to pay for membership in the Yachting Club of America. Discussion ensued as to whether the affiliation is required for PYC members to use the facilities of other yachting clubs. P/C Adams reviewed the results of a survey she completed with PYC members. Seventy-five percent of those surveyed were not in favor of renewing membership. Twenty-five percent responded that they had used membership for reciprocity with other clubs and were in favor of renewing. P/C Al Williams responded that membership in the Yachting Club of America "is part of the cost of doing business as a yacht club." Most members who feel the reciprocity is beneficial are long range cruisers who would take advantage of the facilities of other clubs. P/C Adams, as some others responding to the survey, reviewed occasions in which she has used PYC membership in the Yacht Club of America to indicate we are registered and receive reciprocity. PYC has been a member for as long as anyone at the meeting was aware. R/C Weller indicated that PYC's affiliation with the Yachting Club of America is indicated on member identification cards.

Commodore Dionne asked for a vote from the Board as to whether we continue membership in the Yachting Club of America at a cost of \$400 for 2010. The majority of Board members voted in favor of membership. It was MSP to forward the bill for membership to the Treasurer.

NEW BUSINESS

1. Beam Limits for Slips.

Commodore Art Dionne mentioned that there have been problems with the size of boats in slips. He provided a document which illustrates recommendations for minimum spacing in slips. The recommendations are a result of analysis done by Steve Jefferson and Bruce Smith at Commodore Dionne's request. Commodore Dionne also contacted Custom Floats for recommendations relative to double slips. The resulting document lists slips and beam numbers which take the additional space of fenders into account, a space requirement of 4 feet. Commodore Dionne mentioned that all boats

which exceed the size recommendation and which are already assigned to slips will be grandfathered. Capt. Clement asked if others should review the document. Commodore Dionne responded that some members of the House and Docks Committee have already reviewed this and approve the measurements. P/C Adams indicated that the recommendations also should be reviewed by V/C Leto.

It was MSP to accept the new beam limits and send them to the House and Docks Committee for final review, approval, and implementation.

2. Round Tables.

Commodore Dionne provided a document prepared by Capt. Joseph Nadeau which illustrates descriptions, costs, and optional configurations of round tables at the club. The round tables are intended to replace the current long dinner tables. The topic has been discussed off and on since July of last year.

Commodore Dionne mentioned that many people have favored round tables. Replacement of long tables with round tables would require getting rid of some of the bigger tables, since we don't have room to store the longer tables. Chart tables would remain. Additionally, P/C Jackie Adams added that the Ladies Committee is planning to replace the blue chairs.

Commodore Dionne asked the Board to review the document relative to round tables and be ready to discuss the topic at the next Board meeting.

3. KPYC Sailing School Program.

Commodore Dionne discussed several programs run by KPYC and said that it would be a benefit to PYC to be able to offer attendance at these classes to PYC members. There are several classes, including the Beginning class for ages eight and up which is conducted for two hours per day for two weeks. There are also programs for adults. All programs are listed on the KPYC web site.

Commodore Dionne met with Capt. Bruno Paciulli at KPYC about obtaining a reduced rate for PYC members. He mentioned that he would like to find out the interest level at PYC by placing an item in our next newsletter which invites people to contact Board members or a volunteer to indicate their interest.

After further discussion, it was MSP to place an item about the KPYC programs in the next newsletter.

There being no further business to discuss, the meeting was adjourned at 8:32.

Respectfully submitted,

Carole Cartnick
Secretary