

## **OTYC 2021 Annual Meeting**

**July 17, 2021 9:00 am EDT OTYC Clubhouse**

### **DRAFT**

The 2021 OTYC Annual Meeting was called to order by Kerry Magrini, Commodore, at 9:15 am EST.

### **Attendees**

Board Members in attendance included Bob DeVries, Cathy Heiser, Kerry Magrini, Don Lystra, Linda McKenzie, Scott Mulligan, Tommy Newland and Karen Edgley. Kanda McKee was unable to attend.

One hundred (100) members attended the meeting in person. A total number of 222 members were either present or had submitted proxies. 15 members were needed for a quorum. Cathy Stephenson, parliamentarian, confirmed that the quorum necessary for voting was exceeded.

### **Commodore's Welcome**

Kerry called to order the 2021 Annual Meeting of the Omena-Traverse Yacht Club. She thanked Cathy Stephenson for being our Parliamentarian. Cathy stated that we do have a quorum (15 members). Kerri asked the members to please state your full name during motions and discussion to aid Karen Edgley who is filling in as Secretary for Kanda McKee.

### **Approval of 2020 Annual Meeting Minutes**

A motion that the reading of the Annual Meeting minutes from 2020 could be waived was made by Linda McKenzie and seconded by Mary Tonneberger. The minutes from the 2020 Annual Meeting were approved.

Kerry then introduce the Board: Bob DeVries (Rear-Commodore), Scott Mulligan (Vice Commodore), Kanda McKee (Secretary), Cathy Heiser (Treasurer), Don Lystra, Linda McKenzie, Tommy Newland and Karen Edgley. We do have one board member, Scott Mulligan, leaving us this year. Scott has served on the board for 6 years and his dedication to OTYC will be missed. This past year he has been a key point person on the waterfront project meeting with Thad Tomlinson, the State, the engineers, and contractors. This spring he cleared the boat launch and moved numerous rocks to protect our shoreline. Kerry thanked Scott for all his effort and loyalty to the club.

A year ago, we were wearing face masks, social distancing and holding only a few social events. Kerry was so thankful for everyone who got us through last summer. Even with a reduced social schedule, a lot of fun was had at OTYC in 2020. Luckily, we are moving forward. We were thrilled to bring Youth Camp back and the campers and counselors are having a blast. It truly is the corner stone and future of our Club. All three of Kerry's children attended camp and each served as a counselor at some point. It's so fun to see some of their first counselors getting married and bringing their new families to the club and equally fun watching their first campers grow into young adults ready to take on the world.

Our committees have been hard at work all year and are the backbone of our club. I'll let them fill you in, during the committee reports, on what they have been doing, but without them we wouldn't exist. The club has been and always will be rooted in volunteerism. And, although our committees are fabulous, they could always use more help. There are so many opportunities, large and small, to volunteer at OTYC. So, during the committee reports if you hear something you think you would like to get involved with, please talk with the chair.

### **And the Waterfront:**

As you all know last year's theme was high water, high water, high water. At the last Annual Meeting the waves were crashing over the dock and onto the front yard. Of course, our dock took a beating. You'll recall that after talking to contractors and the state, it became evident that we would have to hire an engineering firm to design a plan so we could get permits. No getting around state regulations.

After interviewing two firms, we hired Patrick Machin's firm. The plans are being refined and the permitting process has started. Jim Morrison generously agreed to be a part of the interviewing process, and we greatly appreciate his time and expertise. Also, I'd like to thank Thad who has put in more hours than most of us on this project by talking to the engineers and contractors and helping guide us through this process. I'm so grateful for their time, knowledge and guidance. Tommy Newland, our next commodore, has taken over the planning stage and will share all the details with membership once the plans are complete and bids are in.

So how does Lot 29 fit into all this? Cost. The initial engineering estimates exceed our current reserves. So, if we don't have enough reserves, how do we pay for it? When the board weighed our three funding options, donations, assessments, and the sale of our asset, Lot 29, we concluded it was in the club's best interest to bring the sale of Lot 29 before membership this summer.

The main reasons are 1) with the current real estate market, it's the right time to sell; 2) besides as a financial asset, the lot has no foreseeable use by the club; and 3) we have a current need to liquidate the asset to protect not only our deep-water marina, but

ultimately our front yard and clubhouse. I'd like to thank Ann Marie Mitchell who guided us through title searches, possible building options and understanding the current real estate market. The sale of Lot 29, along with the question of whether to restrict bidding to membership will be brought up in New Business. I'll remind you that during these motions, discussion will be limited to Lot 29.

Although we have challenges ahead of us, I'm confident we can work together to address them, solve them, and move forward together. It's been almost 75 years since a group of teenagers dreamed big and formed the OTYC. Let's take that same enthusiasm into the next 75 years.

### **Treasurer's Report**

Cathy Heiser reviewed the two Treasury reports she provided. The first is the Financial Overview adopted by the Board in 2016 and reviewed annually with the Membership. The purpose of this document is to describe how the Club's funds are collected and allocated to the areas of expense, and to explain the profit and loss principles the Board uses for general decision making.

Cathy discussed how the operating budget goal of \$40,000 reserves was chosen and how the original dock repair estimate of \$30,000 adopted as a planning number in prior annual meetings has changed with the dramatic impact of the 2019-2021 high waters.

The second report was the OTYC Profit and Loss Review for 2020 actual and 2021 projected. Cathy reviewed the costs that were highlighted in the Financial Overview (Report #1). There were few discrepancies from estimates and/or real expenses in 2020 (COVID year). Projections for 2021 reflect a reestablishment of more "normal" activities, including the resumption of Youth Camp, and included the additional expense for the Engineering Phase of the Dock project (\$31,485), which was funded in part through a 2021 Capital Call for members which raised \$17,700, and the balance covered by Operating funds and reserves. At the end of 2021, Club operating reserves are expected to be just over \$30,000.

A final note was made about the valuation of Lot 29. The Club has carried a professional appraiser value for the Lot of \$36,500 on the books since 2019; however, recent market developments suggest the Lot is valued closer to a range of \$115,00 - \$150,000.

John Ray thanked Cathy for her excellent work.

## **Committee Reports**

### **Building Committee - David Magrini** (Submitted by Chris & Patti Evans, Sarah Chenault and David Magrini)

Since all of us are new to the committee, we are slowly but surely learning the duties. Many thanks to Dennis Armbruster for his help along the way. Besides opening and closing the Club, here are a few things we have done and future projects we see will need to be addressed.

- As you know the AED needs a new battery and pads. They are ordered but there is currently a national shortage so we are not sure when they will arrive.
- The fire extinguishers were updated, and we added one to the boat house.
- Pest Control had to come out again because there was a large hive right outside the kitchen door. If you notice one, please call us asap.
- The kitchen drain backed up, but a little vinegar and baking soda cleared it. Thanks to Matt Wilkes for his help.
- The water heater in the men's bathroom had to be replaced and Dennis was able to install it. He also adjusted where it was mounted to make it easier to remove and store during winter months.
- Patty noticed that several of the tablecloths need to be replaced.
- Paint is chipping on the side of the building. We have not had time to investigate this, but we will.
- Door in bar is slamming and needs some attention
- When Eric turned the water on this Spring, he said it took a long time to fill the tank and we should investigate a new well. We do have an estimate, which is over \$7000. Matt Wilkes has also agreed to look into this issue.

### **Grounds - Jim Promo** (Submitted by Gina Harder, Kris Somnavilla and Anne and Jim Promo.)

Highlights of activities completed.

Proposed to the board the following projects:

- ❖ clubhouse flagstone terrace
- ❖ tennis court drainage

Due to the status of the waterfront and docks, projects were deferred.

Projects completed:

- over-seeded lawn after repairs to seawall completed.
- replaced flagpole halyards.
- painted parking lot bollards, and new roping installed.
- reduced need for planting most of the annual flowers, with new shrubs and perennials planted. will decrease annual expenditures for these items.
- repaired and stained tennis stairs.
- held the annual clean up day, with over 35 members in attendance.
- replaced irrigation controller, pump, and relay switch.

We appreciate all the support we have received and look forward to making additional improvements moving forward.

**Membership - Don Lystra** (Submitted by Bill Renz and Suzy Wheeler)

### **Types of Membership**

#### **Full Members**

##### **Family New**

Jeff & Linda Hagan  
Rick Hagan  
Dan & Joan Showalter

##### **Single New**

Mary Jo Brumbaugh (change in status family to single)  
Dave Chakroff  
Katherine Edgley (change in status/Legacy Transition)  
Karen Gelakowski (change in status family to single)  
Anna Leathery (change in status/Legacy Transition)  
Maggie Magrini (change in status/Legacy Transition)  
Judy Mardigian  
Lauris Woolford

**Honorary Members**

William A. Renz

**Lifetime Members**

Mary Cone

Nana Kennedy

**Guest Members**

John & Kari Bilek

Chris & Kerri Lee Chakroff

Laura Deal

Gary & Jen Prescott

Guy Ringler & Mark Rios

David & Kathy Spohn

Paul & Jane Thielking

**Resignations**

Mike & Laurie Adelson

Cammie Buehler

Bob & Sylvia Bullinger

John & Barb Harris

Tom Oehmke & Joan Brovins

Mark & Manie Powell

Jim Reynolds & Pat Murphy

Betty Smith

James & Joan Stukel

**Deaths**

David Brumbaugh

Bob Gelakowski

Alis Robinson

Bill Sandt

**Summary**

	2021		2020	
	# of Memberships	# of People	# of Memberships	# of People
Family	113	224	119	238
Single	58	58	53	53
Guest	7	13	8	13
Honorary	1	1	1	1

Lifetime	2	2	4	4
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**Logo wear - Julie DeWitt and Susie Goldman - No reported submitted**

**Social - Susan Valiga and Roberta Cohen**

Roberta Cohen and Susan have had a lot of fun working as Social Committee Co-Chairs for the past two years. There have been a number of challenges, some frustration and some anxiety about deadlines, the daily changes to the Covid regulations and the weather. Susan is finishing her third and final year as a co-chair and Roberta is moving into year number three.

2021 accomplishments and challenges by event or responsibility as follows:

**Memorial Day Cocktail Party : John and Judy Smart**

This has always been an elegant affair with members bringing an appetizer to share — using only their best china and crystal. This year we had to keep an eye on the number of people in the Clubhouse and not having any shared food. As usual this event was very well attended since everyone was excited to see old friends - long absent due to the winter and to that pesky virus. It was great weather so many people gathered outside as well as inside. That controlled the inside capacity challenge. The elegance of china and crystal was easily replaced with paper plates and a trunk full of pizza boxes John picked up at Romanos. Individual slices were placed on those paper plates and delivered to the hungry group.

**Opening Dinner : Mary Smart and Cathy Heiser**

COVID restrictions were lifted just days before this event attended by about 80 members. We can't thank the Smart and Heiser families enough for jumping in to take over for Peggy after she found herself in Munson Hospital instead of in OTYC's kitchen. The food and service with a smile were outstanding. Entertainment was also outstanding with the Heiser band playing in the Balcony and the Omena Synchronized Swimmers performing on stage.

**Catered Dinners: Cathy Stephenson and Helen Bradley**

We are all looking forward to scheduled August Dinners. Host have already committed to organizing and then supporting the Caterers for the August events. Unfortunately no members stepped forward to Host the July dinners so we have to wait a few weeks to enjoy these adult only evenings.

**Potluck Dinners:**

**July - Kris Mampe and Susie Morrison**

**August - Charlotte Read and Kathy Turner**

Although shared food is no longer limited by Covid regulations we have continued to take a picnic rather than shared Potluck approach. This has also been necessary as Peggy has not yet returned to work . Once she's able to join us for Wednesday nights the Picnic will morph into Potluck again.

July Potluck has had a steady stream of volunteer hosts; August none.

**Potluck Entertainment :**

**July - Mary Smart**

**August - Brenda White**

Mary Smart has debuted as the Bingo Calling Queen, with some behind the scenes coaching from Michael Ray. The Potluck crowd has stayed late to see Mary perform and to score free candy.

July 28th there was a presentation by the Leelanau Dark Sky Committee.

The first three August Wednesdays were filled up by Brenda White with outside entertainment, one of which is the returning Dayton Classic Jazz Stompers on August 11th.

**July 4th Picnic: - Nancy Cooper / Ellen Reister / Betsy Parker and the Husbands for heavy lifting — grilling**

This event is the biggest challenge for Social Planning due to the need to move tables and chairs outside and then return them all after the Picnic. Plus there is always the search for additional grills. Nancy, Ellen and Betsy did an outstanding job ( and the husbands too). Nancy provided a thorough summary of the positives and negatives , suggesting some changes be made. Her suggestions was to make the event a 6PM — 8PM time frame to reduce the sun heat problem.

The Social Planning Meeting took this a few steps further and suggested it become an Independence Day Weekend event moving to July 3d and making it a brunch. — perhaps starting about 11:00 AM and filled with outdoor activities — maybe even a Boat Parade .



More on this in the future. Feel free to send us your thoughts on this.

### **Toddy Time Summer - Kanda and Harold McKee**

Toddy Time started out under the big tree in the yard for shade and social distancing reasons. Its moved up to the porch these last two weeks but its still BYOE- ( Bring Your Own Everything .) Not bringing shared food seems to be a hit as no one needs to prepare fancy appetizers.

### **Women's Social Planning Meeting for 2022 - Caryn DeVries, Gail Bowden and Mary Ziegler**

This meeting took place on July 15th at Sunset Lodge. A number of women members attended and many of them volunteered for events in 202, but we still have a significant number of open host/co-chair positions for our 2022 events. Important discussions were held to consider changes to the July 4th Picnic and to adding three House Beautify work parties to keep the Kitchen clean and organized

### **Breeze - Ann Mason and Trish Bosco**

Produced 2 publications, winter and spring of 2021 with great support from Scott Mulligan and Suzy Wheeler  
Sent out approximately 190 copies in each mailing  
Thanked everyone for their contributions..... keep taking photos!  
Additional copies at back of room

### **Scuttlebutt - Mary Tonneberger and Michael Ray**

We have had a busy year in many ways and in other ways, slow on happenings. We have tried to keep the membership aware of the rapidly changing state rules on Covid, especially as they relate to social gatherings. Thankfully, the rules are relaxed for our upcoming social and all club events.

Here are some statistics:

- Audience (number of subscribers): 261 (includes multiple listings for some households)
- Number of Scuttlebutts/special memos sent since last annual meeting: 34
- Percentage of subscribers that open the Scuttlebutt:
  - Often: 82%

- Sometimes: 4%
- Rarely: 13%

The approach that we have been using has increased the aesthetics and value of our newsletter:

- News due to Tonneberger on Saturday evening; the news is formatted on Word and sent to Ray.
- Ray formats the layout with photos and artwork within MailChimp
- Emails are distributed by MailChimp
- Audience members can self-subscribe (or unsubscribe) via a MailChimp website or by scanning a QR code.
- Tonneberger also maintains the email file on Mozilla.
- News has included upcoming events, alerts to signups for Youth Camp, waterfront updates, obituaries, Breeze editor requests, etc.

We feel that members and guests really appreciate the weekly update that supplements the social calendar in the Breeze.

We are always looking for photo submissions to include in future issues.

Thank you for the opportunity to add value to our club.

### **Youth Camp - Linda McKenzie**

MEMBER VOLUNTEERS: (newly restructured for summer 2021)

Youth Camp Registrar: Linda McKenzie

Youth Camp Hiring: Sara Goldman

Youth Camp Secretary: Karen Edgley

Youth Camp Daily Managers: Linda Hagan & Ashley Goldberg

### **STAFF:**

Elise Kennedy – Director (CPR/Lifeguard) – 5 weeks

Emily McKenzie – Head of Sailing (CPR/Lifeguard) – 5 weeks

Arlie Goldman – Head of Tennis (CPR) – 4 weeks

Henry Hagan – Sailing (CPR/Lifeguard) – 5 weeks

Braden Brownell – Sailing CIT (CPR) – 2 weeks

Olivia Kennedy – Tennis CIT (CPR) – 2 weeks

Peyton Wilkes – Floater (CPR/Lifeguard) – 2 weeks

Gillian Walker – Floater (CPR) – 2 weeks  
Sebastian Hagan – Floater (CPR) – 2 weeks  
Karl Krusel – Floater – 2 weeks

#### ENROLLMENT:

Week 1 – 22 campers  
Week 2 – 20 campers  
Week 3 – 17 campers  
Week 4 – 12 campers  
Week 5 – 8 campers

Enrollment is a bit lower compared to two years ago at this time. This is in part due to Covid19 and families travel plans being unsure. At the time of this writing, the restrictions due to the pandemic were just lifted in Michigan and we expect our numbers to be a bit lower this year due to families adjusting to post-pandemic life. All staff and many campers are vaccinated. Our expectations are that we will increase enrollment to 20-25 campers max per week with walk-in enrollment. Per usual, we will be capping the number of campers at 25 each week in order to maintain safety and ensure everyone has the best possible experience.

#### EXPENSES:

Expect to average about \$75-\$100 in expenses per week for supplies/snacks. Once per season expenses: tennis balls, staff shirts, staff whistles & camper prizes. No unusual, unforeseen expenses this year as of 6/21/21.

#### THANK YOU:

Tommy & Jordan Newland – Helpful in getting the sunfish/committee boats out of storage and rigged in time for camp to begin.  
Cathy Heiser – Prompt attention to paycheck distribution as well as reimbursements  
Parents – Volunteering to bring lunch on Fridays to the campers  
Members of OTYC – Pickle Ball supplies & Spring clean up of the grounds  
John Ray – keeping the piano in tune

#### Director Search:

We are excited to welcome Elise Kennedy as the Youth Camp Director this year. She is an experienced OTYC camper and staff member, having worked at camp for 4 summers. She is a 2021 graduate of Colgate University.

#### Summary:

The new structuring of adult camp volunteers of having: registrar, hiring, secretary and 2 day-to-day overseers worked very well. It spread out the work amongst the volunteers so no one felt they were taking on too much.

This year we have a good blend of returning and new staff members. Emily McKenzie will be embarking on her fourth year working at OTYC Youth Camp and will be the Head of Sailing this year. Arlie Goldman will be starting her third year working at OTYC and will be our Head of Tennis instruction. We are very fortunate to have four certified lifeguards this summer and the vast majority of our staff are also CPR certified. New this year, we are requiring all staff to take an online Michigan Boater's Safety course to obtain their certification. Nine staff are returning staff members and we are happy to welcome Peyton Wilkes, a former camper, as a new staff member. In addition to tennis and sailing, we are planning to embark on a few outings this season as well as continue to have sailing and tennis competitions, get in whipped cream fights and try out some new games and activities too! Unfortunately, due to the unsafe nature of our dock, we will not be jumping off the dock this year. After being forced to cancel camp last year due to Covid19, we are VERY excited to be able to continue the OTYC Youth Camp tradition of having fun and making new friends on Omena Bay!

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### **Website - Kerry Magrini and Scott Mulligan**

Kerry and Scott asked if anyone was interested in working on the website, they should contact one of them.

### **Nominating and Presentation of the Proposed Slate – Mike Biskupski**

Mike Biskupski and his Nominating Committee member, Marcia Biskupski, proposed the following slate for election to the Board of Directors for a three-year term commencing August 15, 2021. The nominee to replace Scott Mulligan is John Somavilla. Kerry Magrini asked if there were nominations from the floor and there were none. Mary Tonneberger then motioned that the slate be accepted as presented. Michael Ray seconded the motion. The motion passed unanimously.

### **New Business —Sale of Lot 29**

At this point we will address the motions involving the sale lot 29. Our bylaws, under Membership Meetings, Sec. VI F(1) require "any proposal to acquire, sell or mortgage

or otherwise encumber or affect real property” requires an affirmative vote in person or proxy of the full adult membership at an annual meeting.

Our membership chairs have informed the board that we have 285 voting adult members. Guest members do not vote. Therefore, the motions will pass if there are 143 yes votes.

Each issue will be presented as a motion, then seconded and open for discussion. I again remind you that discussion is limited to the specific motion. Since the bylaws require more than a simple majority, the board decided we should vote via ballot, so we have a paper trail. If a member moves to amend a motion, a simple majority will amend the motion but the higher threshold of majority of full membership is still required to pass the motion.

A little procedural background. To use our time most efficiently, once we vote on the first motion, I'll give a few minutes for people to vote and submit their ballots. Then we will start the discussion of the second motion.

It will take 143 yes votes to pass Ballot Initiative #1 and #2. Cathy Heiser gave an initial explanation that with Ann Marie Mitchell's market assessment and comparison (lake water levels up, interest rates low and inflation expectations rising but still moderate), it is an opportune time to sell. The expected range is between \$115,000 and \$150,000, and the current market in Leelanau County supports sealed bids. Cathy made a motion to approve Ballot Initiative #1, that then bidding should be restricted to members, and this was seconded by Don Lystra.

**Ballot Initiative #1- If the membership approves the sale of Lot 29, should the bidding be offered to OTYC members first, assuming they meet the minimum reserve price?**

Discussion ensued:

— Couldn't we have an open bid and then members have the opportunity to outbid the top bid? Feedback up to now showed that members want members to have the first chance, more community based support.

— Isn't it our fiduciary responsibility to let the market drive the price?

— For an extra \$35,000, we need to keep the sale among members because we have the best interests of the bay in mind.

— It is more practical to keep members first because of whether there might not even be a higher bid of \$150,000.

— Without a deed restriction, someone could flip the property at closing to another property company, and it could be subdivided? This is true, so you might want to vote yes. Deed restrictions only work with the force of law and OTYC should be prepared to enforce this. However, there is only room for a boathouse and/or dock on this Lot, and

also there are restrictions on wharfing watercraft, as special permits are needed from the Army Corps of Engineers. Ann Marie says that “To make the lot more than recreational, very few options exist without variances, and that it would be fair and considerate to allow membership the opportunity first.”

— Were the neighbors contacted? Yes, informally, and they have expressed interest.

— Manitowahbe Beach Road was originally platted? Yes, and zoned residential.

— In news lately, there has been much dissension about road ends in the county, where anyone could buy a lot and give access to others, so is this an issue?

— Deed restriction should be considered, a better bid would happen with more open bidding.

— Why do we need to sell the property overall?

— Could we amend the Question #1 to included statement on deed restriction? It would be better to amend Question #2 to include a deed restriction, not Question #1. Cathy explained that if there are amendments, they can be passed by a show of hands before the final paper vote on the whole question.

— Is this proposal to offer to members only first and then to the public? Yes, this is true.

Voting on Ballot Initiative #1 was completed on paper ballots and collected. While ballots were tallied, Cathy Heiser made a motion to approve Ballot Initiative #2, and this was seconded by Bob DeVries.

## **Ballot Initiative #2 - Does the membership approve the sale of real property (Lot 29)?**

Discussion ensued:

— Amendment proposed by Ann Mason, to add a deed restriction to the property before the sale, to restrict the re-sale.

— This would be a huge can of worms, good lawyers will always find ways around and we should keep it simple.

— What would the restriction be?

— What are the current restrictions?

— Ann Marie explained it is R1 zoned, to build needs to meet set-backs that leave only a little triangle without variances, and well and septic need variances. Also, a temporary dock is allowed with up to 4 watercraft, so what is left to restrict?

— What do we care as a club about deed restrictions?

— We would need to be prepared to fight legal expenses, to risk defending our decision. Voting on the amendment by a show of hands with ayes fewer than nays, so the motion to pass the amendment fails.

— Why sell the Lot? Cathy Heiser replied that the waterfront is a big challenge because of the dock unknowns, the permit with all options has been applied for, and that to protect the deep water situation we need an L-shaped structure to protect the seawall.

The bottom line cost parameter is \$225,000 to \$500,000. Cathy went on to illustrate the financial implications in her breakdown of the funding situation (on her handout), and stated that this is why the board recommended the sale.

—Timing of the sale is important.

—Is the \$200,000 option the only one? Tommy Newland replied that we have very few choices now as we can't do anything new, we can only repair what exists, but if we let it go, then we can never get it back, protecting the dock as our biggest asset is important.

—Waterfront decisions are not the main items, what happens with the dock is irrelevant, the property is an asset than can be sold and used.

—Who knew we even owned the lot? The club doesn't use it...

—What will we do in the next crisis? Kerry Magrini replied that the board is thinking of starting a capital fund as one idea.

—Do we currently pay taxes on the property that we wouldn't then have to keep paying?

—Can we borrow money for waterfront projects? Tommy Newland replied that we may have to do that at next year's meeting, and that there are no current mortgages on any property owned by the club.

—Members have donated before, always generous, and we never want to exclude people.

—We hope we can use funds to offset costs for members that can't afford assessments. Kerry Magrini said that the Board is definitely thinking of this.

—Is there a way to move forward but not to finalize the timing? To find out who will ante up first? Members might be leery to donate if the organization has an unused asset. Everyone has some part in the project, there is a balance.

—How immediate is the need? Tommy Newland replied that the structural integrity of the dock is no longer viable, deterioration is on the shoreline, not just the dock, and it might be safe now, but for how long.

—Could we rebuild what we have? Tommy Newland replied that that is the minimum that needs to be done.

—Could the board put off the sale for a while vs. selling now? Tommy Newland replied that the board does not have to sell now, but needs the option to sell this year, as it is a good time to sell right now.

—A word for the value of the land itself, that conservation and a bird sanctuary be given value.

### **In Summary:**

1. 2-Motions were presented to membership, each concerning the sale of Lot 29, the purpose of which was to offset the stated projected cost of repair for the Dock, with estimates on the low side at \$225,000 and on the high side of \$500,000.
  - i. Cost estimates were provided by Machin Engineering at the conclusion of their engineering review and preliminary construction conversations with the state of Michigan (EGLE).

- ii. In the meeting, we reviewed the necessity of repairing the dock, the cost and options to do so, and alternatives to the dock as we know it, i.e., could we recreate a different structure or deep-water area for Club use.
  - iii. We then discussed why we needed to sell the lot; and what options were available to cover the costs absent the sale of Lot 29. These discussed options included a review of funding mechanisms available: membership capital call (limited by the By-Laws not to exceed 1-year of Annual Dues, unless membership approved a special Capital Call for a greater amount); increasing Annual dues (limited by the By-Laws not to exceed +10% annually); membership donations as (utilized successfully in the past to raise funds for the tennis courts, the windows and the boat house), and mortgaging the Club. With the exception of Mortgaging the Club, all of these mechanisms were being considered by the Board.
  - iv. Finally, we talked about the sale itself; whether the lot should be made available to any party or to just to immediate neighbors or just to members (the Board proposed just to members first, and then only to the open market if we failed to generate a minimum bid); whether we would limit use of the property via deed restrictions (which was proposed as an amendment later yet failed); how we would propose the execution of the sale (bid basis); and the market valuation proposed by the Board (no less than \$115,000).
  - v. At the end of this discussion, the motion to the Club membership was to first, if we were to sell the lot we would do so on a bid basis to the membership only with a minimum cost of \$115,000; and second, to sell the lot.
2. The Club membership actively participated in a full discussion leading to the decisions to: 1) fix the dock assuming it could be accomplished within the stated budget parameters (\$225k-\$500K); 2) sell Lot 29 as an initial funding mechanism.

The results of the ballots were announced, and Ballot Initiative #1 passed by 173 votes to 42 votes, and Ballot Initiative #2 passed by 173 votes to 32 votes.

### **Meeting Adjournment**

With all business concluded, Commodore Magrini adjourned the 2021 Annual Meeting at 12:10 pm.

Respectfully Submitted

Karen Edgley and Kanda McKee