

**OTYC 2015 Annual Meeting**  
**July 18, 2015 9:00 am OTC Clubhouse**

**Attendees**

Board Members in attendance included Bill Cron, Mike Adelson, Mike Biskupski, Nancy Cooper, Bill McMenamy, Libby Mustaine, and Cathy Stephenson. Stuart Williams and Michael Ray were unable to attend but Michael listened to the proceedings on a phone.

Eighty-eight (88) members in total attended the meeting. A total number of 114 members were either present or had submitted proxies. Of the proxies submitted, 5 designated the Board to vote on their behalf and 21 designated another member.

**Meeting**

Commodore Cron called the meeting to order at 9:19 am. He reviewed the agenda for the meeting and thanked everyone for their attendance. The Commodore noted the following notable achievements in 2015:

- Construction of the new Boathouse which is a tremendous resource for the Club. Many thanks go to Karen & Roger Edgely for their thoughtful and generous financial contribution and to Jim Miller for overseeing the design and construction.
- Acquisition of a new, quiet(!) engine for the OTC Committee Boat. Thanks go to Tommy Newland who sourced and ensured its proper installation and running. Our campers will benefit from hearing instructions clearly now! Thanks also to Tommy for storing the boat for many winters.
- Installation of railings along the finger piers to create a much safer environment on the dock. Thank you to Mary Helen and John Ray for this meaningful addition to the waterfront which is appreciated by all members.
- Name Badges for all members with thanks to Nancy Cooper.

Commodore Cron also acknowledged the following members for their contributions to the Club, noting the importance of every member taking an active role as nothing would get done without a strong network of volunteers:

**Board Members** - Mike Adelson, Mike Biskupski, Libby Mustaine, Bill McMenamy, Nancy Cooper, Michael Ray, Stuart Williams, and Cathy Stephenson

**Committee Chairs**

Social - Caryn DeVries, Georgie Disselkoen, Caroline Oberndorf (Catered Dinners) and Mary Smart(Potlucks)

Building and Grounds – Jim Miller(Building), Bob Krist(Grounds), Bob Grabowski(Waterfront)

Membership – Martha Moffett (chair), Joan Brovins, Mary Helen Ray, Bill Renz, Barb Harris, Cathy Stephenson

Youth – Trish Bosco, Karen Edgley, Sara Goldman

Breeze – Dave & Kerry Magrini

Scuttlebutt – Mary Tonneberger

Nominating – John Ray, Chris Barber, Barb Karchon

Thank yous were also extended to Bob & Karen Gelakoski for their daily opening and closing of the Clubhouse and to the Youth Program counselors: Zach Bosco, Jack McKenzie, Nellie List, Livvy List, Tim Leathery, Arnaud Ballande, and Paige Rierson. Finally, Commodore Cron thanked Tom Oehmke and Joan Brovins for serving as Parliamentarian and receiving/tracking the proxy votes.

Peggy Elscott motioned to waive the reading of the Minutes from the 2014 Annual Meeting. Drew Ehrhardt seconded the motion which then carried. Marcia Biskupski motioned to approve the Minutes, Bob Gelakoski seconded. The motion was approved.

**Legal Fees** - Commodore Cron recognized Tom Oehmke who requested the floor to review the legal fees that had been incurred in the past year. The Board has previously voted earlier to ask Tom to serve as corporate counsel to the OTYC. Tom noted that a great deal of work had been accomplished to review and modify several of our governance documents. Tom first noted his qualifications regarding Michigan law, specifically with nonprofits and Michigan corporations. Tom indicated the work he performed was of the type usually needing to be done once in a decade. He acknowledged that, in the past, all of this work had been done by volunteer attorneys, however, several inconsistencies had been identified and concerns were raised by the Board. At the Board's request, the Articles of Incorporation were updated to protect the volunteers and Board from personal liability. The Articles were also revised to be consistent with current statutes and with the Bylaws. Assumed names were filed with the State. Additional work included the review of a new 25-year Bottomlands Lease with the State of Michigan which required a surety bond. Further, the Club's rental lease was revised to protect the OTYC and its property from unreasonable exposure to liability. Tom reviewed the hours he spent on the requested work for which he charged a substantially reduced rate to the Club. Tom's concern was that the OTYC had lacked continuity of legal counsel which is important to adequately protect the Club, its officers and directors, and its volunteer members. Commodore Cron thanked Tom and reiterated that our Club was now on solid legal footing.

**Treasurer's Report** - Mike Adelson gave the 2015 Treasurer's Report. Mike noted that he has been restructuring our books and processes to streamline the work of tracking and processing payments. Files have been digitized, statements reconciled and he feels we are in good shape operationally. Mike thanked Martha Moffett for her help through the Dues invoicing and collection process.

The 2014 Financial Statements were distributed and are included in these Meeting Minutes. Net income is \$23K year to date and forecasted to be \$13K at year end. At present we have \$110K in the bank, projecting \$100K on December 31, 2015. Some of this money will be used to pay for the construction of the boathouse. Cathy Stephenson said that we need to be cognizant of the future needs of the Club, such as repairs to the dock, repair or replacement of the tennis court, and possible building repairs. The Board is looking to develop a capital improvement plan.

Tish Renz asked why there was a loss in 2014. The loss was due to the purchase of the motor for the Committee boat as well as legal fees, both of which could be deemed extraordinary or unusual expenses and not typical. Commodore Cron said it is not unusual to see a year-to-year variation. Ellie Stephenson motioned to approve the Treasurer's Report as presented, Peggy Elscott seconded; the motion passed.

10:03 AM

02/19/15

Accrual Basis

**OMENA TRAVERSE YACHT CLUB****Balance Sheet**

As of December 31, 2014

	Dec 31, 14
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
1100 - Checking Fifth Third	86,728.28
1200 - CD Fifth Third #3295	5,751.05
1202 - CD Fifth Third #153423	5,897.97
1203 - CD Fifth Third #153394	5,897.97
Total Checking/Savings	104,275.27
Accounts Receivable	
1300 - Accounts Receivable	650.00
Total Accounts Receivable	650.00
Total Current Assets	104,925.27
Fixed Assets	
1000 - Building	29,910.92
Total Fixed Assets	29,910.92
Other Assets	
1350 - Deferred Initiation Fees	100.00
Total Other Assets	100.00
<b>TOTAL ASSETS</b>	<b>134,936.19</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2100 - Payroll Liabilities	1,776.59
Total Other Current Liabilities	1,776.59
Total Current Liabilities	1,776.59
Total Liabilities	1,776.59
Equity	
3200 - Unrestricted Fund	49,578.33
3900 - Retained Earnings	90,793.38
Net Income	-7,212.11
Total Equity	133,159.60
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>134,936.19</b>

10:03 AM

02/19/15

Accrual Basis

**OMENA TRAVERSE YACHT CLUB****Profit & Loss**

January through December 2014

	Jan - Dec 14
<b>Income</b>	
2 · Miscellaneous Income	5,616.00
4100 · Facility Rental	
4102 · Dock Rental	2,300.00
<b>Total 4100 · Facility Rental</b>	2,300.00
4200 · Initiation Fees	1,000.00
4400 · Membership Dues	
4401 · Adult Single	5,180.00
4402 · Associate Single	1,330.00
4403 · Family	30,400.00
4404 · Guest Family	2,800.00
4405 · Guest Single	420.00
4406 · Junior	660.00
4410 · Late Fees	700.00
<b>Total 4400 · Membership Dues</b>	41,490.00
4500 · Other Income	
4502 · Logo Merchandise	2,823.00
4500 · Other Income - Other	-269.00
<b>Total 4500 · Other Income</b>	2,554.00
4600 · Program Income	
4601 · Social	1,997.45
4602 · Youth	2,510.00
<b>Total 4600 · Program Income</b>	4,507.45
4700 · Breeze	
4701 · Breeze Advertising	45.00
4702 · Breeze Subscriptions	2,460.00
<b>Total 4700 · Breeze</b>	2,505.00
<b>Total Income</b>	59,972.45
<b>Expense</b>	
1 · Miscellaneous	60.97
5100 · Administrative Expense	
5101 · Bank Service Charges	24.00
5102 · Bookkeeping	1,255.50
5105 · Licenses & Permits	25.00
5106 · Office Supplies	122.71
5107 · Postage	61.94
5109 · Other Administrative Expense	1,378.15
5111 · Legal Fees	4,255.00
<b>Total 5100 · Administrative Expense</b>	7,122.30
5200 · Building & Grounds	
5201 · Building	3,536.50
5202 · Grounds	6,196.77
5205 · Property Taxes	7,275.66
5206 · Utilities	1,436.98
5220 · Equipment, Furniture & Supplies	10,051.75
5250 · Cleaning	5,805.00
5200 · Building & Grounds - Other	534.00
<b>Total 5200 · Building &amp; Grounds</b>	34,836.66
5300 · Insurance	7,770.00
5600 · Program Expense	
5601 · Social	5,370.66

10:03 AM

02/19/15

Accrual Basis

**OMENA TRAVERSE YACHT CLUB**

**Profit & Loss**

**January through December 2014**

	Jan - Dec 14
5602 · Youth	
5603 · Payroll Expense	6,690.23
5602 · Youth - Other	124.05
Total 5602 · Youth	6,814.28
Total 5600 · Program Expense	12,184.94
5700 · Breeze Expense	1,097.24
5900 · Merchandise Expense	1,945.85
6100 · Taxes	2,166.60
Total Expense	67,184.56
Net Income	-7,212.11

Committee reports were next presented by the Committee Chairs. An abbreviated summary follows:

**Building - Jim Miller** *Main Building Maintenance:* The front porch required a second coat of paint this spring. Buzz of Rainbow Painting donated his labor. We consolidated two pest control contracts and implemented a routine schedule of prevention. The Board may want to consider installing a new well. Our simple system is very old and could have issues at any time. Having a well would eliminate the need to pump water from the bay and ensure many years of providing a clean, reliable water source.

*Housekeeping and Kitchen:* The kitchen-cleaning schedule was coordinated with Rosie to ensure all was clean and ready before and after each event. A volunteer is needed for next year to take over that position. Most of the work is at the beginning of the year with occasional follow up during the summer months.

To prepare for future needs, a season start-up shopping list was created to restock supplies for a smooth season opening and to avoid shortages. Mary Skrocki has agreed to oversee the inventory of supplies. A sheet is posted in the kitchen to be used for any needed supplies. Kathy Miller and Susie Goldman coordinated the main building housekeeping services. Finally, we also need a new freezer as it continues to have leaking problems from condensation.

*Boathouse Update:* The first phase of the boathouse should be completed in late July or early August. Contractor Rich Peplinski has done a stellar job of keeping costs down and work on schedule.

The architectural features of the upstairs section of the main building have been incorporated in the building's design. Phase two will include having volunteers add the necessary fixtures, shelves and racks to ensure the sailing program's gear is stowed properly. By being organized, our young sailors will learn to take care of and respect their valuable boats and equipment and the opportunity they provide. Painting the building is estimated at \$3,500 to \$4,500.

Jim recommends acquisition of trailers for the boathouse. Having trailers provides mobility and minimizes handling which causes damage. They can be wheeled to the beach or towed to an event in another village.

**Grounds - Bob Krist** - The grounds have been well maintained. Thanks go to the 20 volunteers on Clean Up Day when winter kill was pruned, flower beds tended, flagstones cleaned up and the beach was cleaned up. . Member input is needed whenever an issue is identified. Also, whenever the power goes out, the irrigation system needs to be reset. The volleyball court needs continued attention, too, as the wood chips are all gone.

**Waterfront - Bob Grabowski** - The sidewalk has been repaired beyond the Hinkelman home. The dock has a new owl and lines have been added along the waterfront to protect against goose droppings. Thanks goes to Steve Egeler who has completed many small jobs in and around the Club. Bob noted John Smart is now responsible for the tennis court.

**OTYC Breeze - Kerry & David Magrini** appreciate all the wonderful pictures and updates people submit for the two editions of the Breeze and would love to hear from more members. Please continue to send your pictures and stories to omenabreeze@gmail.com. While they are happy to continue as editors, if you are interested in taking over in the next year or two, please contact Kerry & David.

**Social - Georgie Disselkoen** - Georgie reviewed the many social activities planned for the season and those that had already occurred. A revised edition of the OTYC calendar is posted on the bulletin board. Mary Tonneberger, faithful Scuttlebutt reporter, sends out regular emails with weekly reminders, upcoming events, revised dates and special requests, so please pay careful attention to Scuttlebutt as things change!

Caroline Oberndorf, Catered Dinner Chair for the second year in a row and continuing again next year, has lined up 5 catered dinners for this season. Veteran Potluck Chair, Mary Smart has signed up to chair again in 2016. Caryn De Vries has been working on lining up entertainment for the Potlucks. Doni Lystra, Linda Kemper and Karen Edgley have graciously agreed to host the Ladies Luncheon in 2016. It will not be held this year due to the Omena Women's Club celebration.

Susie Goldman continues to be our Logo Wear Sales person. Sales have been brisk with the plan being to liquidate the on hand merchandise this summer and place orders for new merchandise again for 2016. Toddy Times continue Thursdays with Laurie Remter lining up hosts for this summer and Joan Blount in charge of the Winter schedule. They both will continue in 2016 as well. The signup sheet for volunteers for open positions in 2016 is now posted so please sign up!

**Youth Program - Trish Bosco & Karen Edgely** - The search for staffing began in March when we heard our 2014 camp director would not be returning. We began a search for a camp director for all five weeks which proved difficult. We decided to hire from within and promoted long term tennis instructors Nellie and Livvy List to Co-Directors for the first three weeks of camp.

Our sailing program is strong shape this summer. We had a guest instructor the first week of camp, Arnaud Ballande from Paris, France, who was with us for a second year. Zach Bosco and Jack McKenzie are serving as Sailing Instructors. As certified lifeguards, Zach's primary purpose will be water safety and sailing instruction. This is Jack McKenzie's first year as a counselor. Former OTYC camper, Paige Reiersen (Jack Bosgraf's granddaughter) joins us as lead sailing instructor. Paige will serve as director for the weeks 4 and 5 of camp.

Tennis is also in full swing with first-time counselor Tim Leathery. During the fifth week of camp, Tess Edgley, will take over as our tennis pro. Thanks also to junior counselors Nate Kennedy and Grace Bosco for being available on an on-call basis. Our committee chairmen worked well together by splitting our duties between sailing, tennis and snacks/games and overall shared oversight of the camp.

Campers totaled 13 in week 1 and 12 in week 2. The pre-registered numbers are similar, but we expect last minute sign ups as the summer continues. The fifth week was more difficult to staff with older kids and chock



full of campers. Overall, camp continues to be a wonderful tradition. It is a warm, welcoming place for OTYC youngsters looking to learn some new skills, meet new friends, and have fun making memories.

**Membership - Martha Moffett** - Before the Membership Committee Report, Commodore Cron indicated that he and the Board had received several comments concerning the membership application process. We receive, review and consider all inputs and solicit feedback. The Board has met with the Membership Committee and discussed the concerns; the Membership Committee is reviewing procedures. All comments are being taken seriously. Questions or comments should be held until later in the meeting.

Committee Member Bill Renz noted some of the Committee's achievements of the past year. A one-time offer was extended to 15 eligible former Associate members to become full adult members; 12 accepted. The membership application package and process were updated. The forms were modified to enable completion online. The publication date of the Member Directory was changed from December to May. Bill also stated that no completed applications had yet been submitted and none were outstanding.

## **OTYC 2015 ANNUAL MEMBERSHIP REPORT**

### **July 2014 - June 2015**

#### **Type of Membership**

##### **Full Members**

###### Family new:

Allan and Roberta Cohen	
Kim & Dennis Armbruster	
Gail & Jeff Bowden	
Andrea & Scott Brownell	
Bill Sulau & Kay Cody Nolen	
Scott & Cathy Heiser	
Rick & Donna Simonton	
Ed Hinkelman & Gayle Madison	
Ralph & Mary Skrocki	
Sam Knoll & Sharon Ladd	change in status
Lee Feeley	change in status
Stuart Williams	change in status

###### Single new:

Mack Abbot  
Mike Bosco  
Katherine Fox  
Andrew Mitchell  
Elisabeth Smith

Catherine Buchholz	
William Buchholz	
Caitlin Gilfeather	
Sean Gilfeather	
W. Clark Gulsby	
Anne Moore	
Lucy Loveless	
Laurie Remter	
Barbara Hildner	
Suzie Mulligan	change in status
Carol Knoll	change in status
Elizabeth Schleef	change in status

### **Guest Members**

#### Guest -2015:

Sue Anderson & Gina Harder

#### Guest - 2014:

Ashton Abbot & Evan Ulrich

Matthew Mitchell

### **Lifetime Membership**

Alis Robinson  
 Bill and Marilyn Graf  
 Bill and Nancy Sandt  
 Bob and Trudy Lewis  
 Carolyn Marbach  
 Mary Cone  
 Jay Grosmark  
 Dick and Nana Kennedy

### **Resignations/Terminations**

Dave & Judy Pohlod	resignation
Bill & Judy Knorp	resignation
Shepherd Tate Sr	resignation

### **Deaths**

Austin Jones	7/2/2014
Janet Tate	7/30/2014
Dan Schleef	11/26/2014
Jeanne Hines	12/7/2014

	2015		2014	
	# of Memberships	# of People	# of Memberships	# of People
<b>SUMMARY</b>				
Family	114	226	108	216
Single	53	53	38	38
Associate	0	0	19	19
Lifetime	8	12	10	14
Guest	3	5	10	18
<b>Total</b>	<b>178</b>	<b>296</b>	<b>185</b>	<b>305</b>

Submitted by Membership Committee:

Martha Moffett, Membership Chairperson

Joan Brovins, Barb Harris, Cathy Stephenson, Mary Helen Ray, Bill Renz

**Scuttlebutt - Mary Tonneberger** - The Scuttlebutt (SB) communication tool has proved to be very popular and members have been very complimentary as to its usefulness. Some interesting statistics:

- 20 memos sent since last fall
- sent to 212 email addresses receive the SB; some families include individual OTYC members

If you have changes, additions, or deletions for receipt of the SB, please email [mptomena@torchlake.com](mailto:mptomena@torchlake.com).

**Website - Michael Ray** - Cathy Stephenson shared information from Michael Ray that he identified a third party who is working on the OTYC website with completion targeted for the end of the year.

**Nominating Committee - John Ray** - The Nominating Committee included Chris Barber and Barb Karchon. John reviewed the proposed slate for three year terms: Mike Biskupski (2nd term), Nancy Cooper (2nd term) and Scott Mulligan (first term). John recognized Stuart Williams' 2 terms on the Board, thanking her for her contributions to the OTYC program. Jim Miller motioned to approve the proposed slate of Directors, Kathy Bosco seconded the motion. The motion carried. The effective date of the change in directors is August 15th.

### **Proposed Bylaw Changes**

Bill Renz reviewed the proposed change he is requesting to the Bylaws to change the definition of a Quorum when making changes to the Bylaws or Articles of Incorporation. When the Bylaws were written the Club was much smaller and today, with a much larger membership, it is reasonable and would be in keeping with the original intent to require a larger number of votes to change the governing documents. The Board is in agreement with Bill's proposed change from 15 Members to 15% of the Adult Members. Mary Tonneberger motioned to approve the change as proposed, Mike Mustaine seconded. The motion passed.

### **Other Business**

**Bottomlands Lease** - Jamie Karchon asked a question about the possibility of a longer term Bottomlands Lease. The State of Michigan requires a 25 year lease. All bottomlands in the Great Lakes are subject to them. The Army Corps of Engineers is not involved.

**Speed Limit on Omena Point Road** - Cathy Stephenson noted the importance of driving responsibly at a lower than posted speed limited on Omena Point Road. The posted limit is 40 mph, and she encouraged all to "Drive 25" and to ask guests and contractors to do the same. Jim Miller said he is working with the Sheriff and Leelanau Commissioner Ty Wessel and Bob Joyce from the Road Commission. Signs to drive at 30 mph have been added and a sign noting pedestrians at Omena beach where a lot of people cross the road. The group is also working on other areas of Omena Point Road. He is obtaining information on what we can do to help ourselves.

**Purchase of Trailers** - Discussion ensued about the possible purchase of trailers to store the sunfish in the Boathouse. Some felt the cost was too much, that trailers would be overkill and that interior racks were a perfectly fine solution.. Others felt that the trailers would provide flexibility for different uses and could assist in the transport of the sunfish to the Boathouse easing the physical burden on our members. Commodore Cron noted no decision has been made and the Board will consider alternatives and associated costs.

**Legal Fees** - There was discussion about legal fee expenditures incurred. A question was asked if the Board had approved the expenditure of legal fees. The Commodore confirmed the Board had approved these expenditures and had formally requested several legal opinions of Tom Oehmke. One member asked if the Board had a Letter of Engagement (LoE). Tom Oehmke agreed that he would provide an LoE if he decided to provide further legal services to OTYC in the future. Tom Oehmke pointed out that there were 17 OTYC members who were licensed attorneys but none should be expected to make a full commitment to provide full and immediate legal services on call on a year around basis. Tom felt the benefits of his representing the Club and its operations were his:

1. Understanding and familiarity of the Club and its history
2. Continuity to represent the Club on all of its issues, many of which are intertwined
3. Immediate response to issues as they arise
4. Expertise in Michigan corporate and nonprofit law

As a licensed attorney, Tom is held to a professional standard of care and strict ethics. Tom noted that, in the past when the Club relied on volunteers to address specific issues as needed, there was mixed success. Indeed, Tom had found numerous shortcomings and issues that were likely due to volunteer attorneys practicing outside of their areas of expertise. Tom provides the OTYC a 20% discounted rate.

More discussion followed regarding how the Board knows if a service is pro bono or for hire. Joan Brovins noted that the statements of legal services detail all of the professional services provided, time expended and billing rate. Joan confirmed that all legal services (as well as written legal opinions) she has provided to the Board and on behalf of OTYC have been without charge. In addition, legal services Tom has provided over the years and more recently have also been without charge. Commodore Cron indicated that, going forward, the Board will utilize a Letter of Engagement.

**Membership - Membership** - A lengthy and, at times, heated discussion occurred regarding Membership, the process, the application for membership form and communications. Some members felt the process to become a guest member and then be approved for full membership was too long. Some members claimed that those being proposed felt that they were being put on trial. Some members felt roadblocks had been inserted into the process. Commodore Cron stated that the Board and the Membership Committee had heard the concerns and were addressing them. Membership Committee member Bill Renz clarified that a process and application had been developed and approved at the Board's direction. Bill said that there were currently no completed applications that had been submitted for review. Many disgruntled members were misinformed or did not realize this and felt that three families who were interested in becoming guest members were being mistreated.

In view of so many complaints about the process and alleged hardships experienced by members, applicants and their sponsors, Joan Brovins suggested that there was a way to legitimize Board action under our Bylaws if the membership would then and there consider and approve an amendment to the OTYC Membership Bylaws to add the classification of a "Provisional Guest Membership" and made the following motion:

*For those applicants whose sponsors are unable, unwilling or otherwise hindered by the vexatious technical requirements and time limitations established by the Board and set forth in the OTYC Membership Application process, a Provisional Guest Membership (PGM) shall be made available to such applicants at the sole discretion of the Board, and, may be made at any time during the calendar year, in order to expedite the granting of OTYC membership to such applicants, provided that at least one Board member is in favor of granting the applicant a PGM.*

Mike Biskupski seconded the motion. Commodore Cron said based upon member feedback that all was being reviewed and discussed with the Board and Membership Committee. They had agreed that the application package would be simplified and would consider a shorter timetable for full membership. Several members articulated their concerns that the Board and Membership Committee still need to be prudent in evaluating potential candidates for membership; that the evaluation criteria previously established is meant to preserve all that we love about the OTYC. Discussion continued about the pros and cons of such an expedited membership category with many expressing reservations about establishing such a procedure or policy. The Commodore did not call the question and Joan Brovins withdrew the previous motion.

Drew Ehrhardt made a motion to adjourn the meeting. Tish Renz seconded. The motion carried. Commodore Cron adjourned the Annual Meeting at 12:10 pm.