



# St. Paul Yacht Club

## 2019 SPYC Annual Report

### Commodore's Report (Steve Nelson):

#### From the desk of the Commodore,

We started the year with plenty of water and the river cresting at 20.19' on March 31<sup>st</sup>. That spring thaw was followed by months of ups and downs with the river levels that has recently been holding only a foot above normal pool level. The river levels posed challenges to general boating and finding beaches, but also opened up opportunities to get into places like Snelling lake, the cut and myriad back waters that opened up to navigation. Whether the river level was above or below 8' it was great to get out on the River and see the changes!

Speaking of changes, 2019 was an incredible year for the club to navigate changes in staff and work around the marina. Spring got us off with a rush of water and maybe an omen of changes to come. In March, we started with the too oft repeated shuffling of boats to get them out of the rivers shuffling and sometimes meandering path. Guided by our experienced marina manager, crew and volunteers we were able to do this without putting an excessive number of boats out onto the levee and avoided any excessive costs. In April, some club volunteers found the time and replaced the roof on our equipment shed, staving off the rain that came over the course of 2019. We can expect the shed to last another 20 years due to the maintenance done the last couple years. In April the cleaning company responsible for the clubhouse hadn't been able to access the facility for some time so it was replaced by a rotation of some of the best volunteers the SPYC has to offer.

Volunteers have always been the unsung heroes of the club working alongside our marina manager and crew, that would become more important than ever over the summer. The gardening volunteers planted some very nice flower beds around the marina that spruced up the place and gave it a fresh look. We now have a party dock, the Daly Dock (and now you know whose labor was responsible), for summer parties at the clubhouse. We also got one gate painted (6 to go) again with volunteer labor. Things were just starting to look great with silt washed of the docks and the majority of the boats launched when our marina manager left us in July. SPYC board members, additional volunteers and others stepped up to fill gaps where possible.

Since July we've had a number of volunteers, crew and part-time fulfilling many of the needs of the marina management. We've been focused on the accounting with bill payment and revenue obvious priorities. To those ends, we are working on electronic billing, remote credit card processing, electronic bill payment systems along with a number of other efficiency initiatives that will make the marina management at least a little more self-sufficient. We are making progress on updating software, utilizing an accounting service and determining the best solutions to carry us into 2020. These systems should make it easier to get quality information for SPYC members, crew and board.

Finishing out the year was the purposely delayed completion of the clubhouse kitchen reconfiguration. (This was slowed purposely to contain expenses and disruption over the summer. After a great volunteer crew maintained the clubhouse throughout most of the year, we have returned to a cleaning service that really cares for the Clubhouse as it should be. Thomas and Brian put the final details together on the knee-wall removal and are putting up shelving and other final touches so the kitchen is ready for all our parties in 2020.

Looking ahead to the 2020 season we implemented some items in 2019 that will prove useful for years to come. We created a secondary fuel delivery system that can be used for service before the gas dock can launch. We also found a couple of new vendors to provide options for winterizing and wrap service.

There has been a great amount of interest in 2020 slip rental and we appreciate new friends. We welcomed a number of new members in 2019 and look forward to meeting an equally exciting new group of members this year!

I want to thank all the Board and other members for your continued support this year. My gratitude and thanks to everyone who helped keep the Club on track and moving forward.

### **Treasurer's report (Ralph DeLong):**

The finances of the SPYC are currently in a state of flux. When the Marina Manager, who is responsible for maintaining the financial books of the Club, left it was necessary to hire a part time bookkeeper to go through the Clubs finances. The bookkeeper, working with Greg Jorgenson, was making great progress; however, in November, the bookkeeper left to take a full-time position. As a result of the turnover, the yearend numbers for the Club have not been finalized. Thus, numbers reported are based on numbers from November, 15, 2019.

The Finance Committee met in November to establish the SPYC's budget for 2020. With the announcement that the bookkeeper had accepted a full-time position elsewhere, and would not be available to provide the needed data, the Committee decided to move forward making only minor changes for the 2020 budget with the understanding that following a complete analysis of the Clubs finances, future adjustments to the budget may be required.

In past years, the SPYC budget planning has been based on a historic budget to which adjustments were made based on proposed needs of the Club during the coming year. While this is acceptable, recent economic and silting issues have resulted in significant changes in the number of rented slips, which led to significant changes in income. Because of these changes, the 2020 budget was based on trends reported in the 2017, 2018, and 2019 incomes and expenses.

Based on the numbers available, the Finance Committee estimated there would be a net profit of \$100,000 in 2019, or \$18,000 less than 2018. This will leave the Club with a cash reserve in 2019 of about \$13,000. An enterprise the size of the SPYC should have cash reserves of at least \$50,000; therefore, for 2020, the Finance Committee recommended, and the Board approved:

1. Increase the Summer Slip fee from \$57 to \$59.00 (3.5%) per foot of slip length,
2. Increase the Winter Storage fee from \$31 to \$32.00 (3.2%) per foot of overall boat length, and
3. Provide a Cost of Living increase of 2% to all employees.

No other increases were recommended with the understanding that following a complete analysis of the Clubs finances, future adjustments may be required.

The Board is working to provide a stable method of managing the Club's finances, and to develop a line item budget that will provide a true picture of the Club's income and expenses.



Ordinary Income/Expense	Jan 1 - Dec 31, 2019		Jan 1 - Dec 31, 2020		Method of estimating
	Estimated		Rounded to nearest \$100	Budget	
<b>Income</b>					
40000 · REVENUE		2019		2020	
40100 · DUES INCOME	\$	10,970	\$	11,000	
40150 · CLUB HOUSE FUND	\$	15,410	\$	15,400	
40200 · SUMMER DOCKAGE MAIN	\$	249,339	\$	258,100	
40210 · SUMMER DOCKAGE RASPBERRY	\$	10,532	\$	10,900	
40250 · DISCOUNTS GIVEN	\$	(21,301)	\$	(21,300)	
40300 · WINTER STORAGE	\$	100,988	\$	101,000	Average of 2016-18
40325 · LIFT INCOME	\$	21,135	\$	43,800	Based on trend of 2016-18
40335 · MISC YARD INCOME	\$	19,826	\$	19,800	
40337 · HARBOR MAINTENANCE	\$	25,354	\$	25,400	
40350 · UTILITIES (GAS/ELEC/WATER)	\$	19,278	\$	42,000	Based on trend of 2016-18
40500 · GASOLINE INCOME	\$	77,189	\$	77,200	
40550 · TRANSIENT	\$	242	\$	1,000	Estimated assuming 2018 costs
40700 · SHIP STORE SALES	\$	7,291	\$	7,300	
40000 · REVENUE - Other	\$	2,709	\$	2,700	
<b>Total 40000 · REVENUE</b>	\$	<b>538,963</b>	\$	<b>594,300</b>	
<b>Total Income</b>	\$	<b>538,963</b>	\$	<b>594,300</b>	
<b>Cost of Goods Sold</b>					
50000 · COST OF GOODS SOLD	\$	1,949	\$	1,900	
50100 · COS- GAS	\$	57,569	\$	57,600	
50200 · POOL & YACHT CLUB	\$	27			
50300 · COS-SHIP STORE	\$	3,628	\$	3,600	
50400 · COS-SALES TAX EXPENSE	\$	1,511	\$	1,500	
<b>Total COGS</b>	\$	<b>64,684</b>	\$	<b>64,600</b>	
<b>Gross Profit</b>	\$	<b>474,279</b>	\$	<b>529,700</b>	
<b>Expense</b>					
60000 · MEMBERSHIP & FUNDRAISING					
60100 · ADVERTISING	\$	2,240	\$	2,200	
60200 · CLUB COPYING	\$	-	\$	100	Estimated assuming 2018 costs
60300 · ANCHOR & LINE	\$	450	\$	500	
60400 · CLUB POSTAGE	\$	-	\$	100	Estimated
60500 · PROMOTIONS	\$	-			
60600 · SOCIAL FUND	\$	4,029	\$	4,000	
60700 · SOCIAL GIFTS	\$	-	\$	200	Average of 2016-18
60800 · CLUB HOUSE EXPENSE	\$	3,808	\$	10,400	Average of 2016-18
60850 · CLUB MEETINGS	\$	38	\$	600	Estimated assuming 2018 costs
<b>Total 60000 · MEMBERSHIP &amp; FUNDRAISING</b>	\$	<b>10,565</b>	\$	<b>18,100</b>	
66900 · Reconciliation Discrepancies	\$	654	\$	700	



<b>70000 - OPERATING</b>					
70050 - BANK FEES/SERVICE CHARGES	\$	5,433	\$	9,900	Average of 2016-18
70060 - OPERATIONS COPYING	\$	1,635	\$	1,600	
70070 - OPERATIONS POSTAGE	\$	256	\$	300	
70075 - BAD DEBT S	\$	-			
70100 - DEPRECIATION EXPENSE	\$	57,280	\$	57,300	Average of 2016-18
<b>70150 - INSURANCE</b>					
70155 - MARINA OPERATING INSURANCE	\$	11,750	\$	20,600	Average of 2016-18
70160 - CLUB HOUSE INSURANCE	\$	-	\$	8,100	Average of 2016-18
Total 70150 - INSURANCE	\$	11,750	\$	28,700	
<b>70200 - INTEREST EXPENSE</b>					
INT EXPENSE-LINE OF CREDIT	\$	171	\$	200	
INT EXPENSE-OTHER	\$	479	\$	500	
INT EXPENSE CHEROKEE 2013 LOAN	\$	6,027	\$	4,000	Based on trend of 2016-18
INT EXPENSE CHEROKEE CR LINE	\$	103	\$	100	
70200 - INTEREST EXPENSE - Other	\$	64	\$	100	
Total 70200 - INTEREST EXPENSE	\$	6,844	\$	4,900	
70225 - MEETING EXPENSE	\$	-	\$	200	Average of 2016-18
70230 - MISCELLANEOUS	\$	(78)			
70235 - PROMOTIONS	\$	301	\$	1,000	Estimated
70250 - MILEAGE EMPLOYEES	\$	-			
70270 - OFFICE SUPPLIES & EQUIPMENT	\$	386	\$	400	
<b>70300 - PROFESSIONAL FEES</b>					
ACCOUNTING & AUDIT	\$	9,050	\$	9,100	
CONSULTING	\$	-			
LEGAL FEES	\$	2,728	\$	2,700	
Total 70300 - PROFESSIONAL FEES	\$	11,778	\$	11,800	
<b>70350 - REPAIRS &amp; MAINTENANCE</b>					
BUILDING EXPENSE	\$	2,257	\$	2,300	
EQUIPMENT EXPENSE	\$	11,652	\$	11,700	
EQUIPMENT FUEL	\$	11,356	\$	11,400	
FLOOD EXPENSE	\$	5,962	\$	6,000	
GROUNDS MAINT.	\$	312	\$	2,300	Average of 2016-18
WINTER EXPENSES	\$	280	\$	2,100	Average of 2016-18
REPAIRS & MAINTENANCE - Other	\$	4,637	\$	4,600	
Total 70350 - REPAIRS & MAINTENANCE	\$	36,456	\$	40,400	
<b>70355 - DREDGE &amp; MODIFICATIONS EXPENSE</b>					
70400 - EQUIPMENT & STORAGE RENT	\$	213	\$	200	
70410 - SAFETY EQUIPMENT	\$	536	\$	500	
70425 - SHOP SUPPLIES	\$	897	\$	2,000	Average of 2016-18
70435 - SMALL TOOLS	\$	8	\$	500	Average of 2016-18
70440 - PERMITS, LICENSES	\$	216	\$	200	
<b>70450 - UTILITIES</b>					
GAS & ELECTRIC	\$	40,646	\$	50,700	
SEPTIC	\$	213	\$	200	
TELEPHONE/CELL/INTERNET	\$	12,507	\$	12,500	
TRASH	\$	1,930	\$	1,900	
WATER	\$	20,191	\$	22,200	Based on trend of 2016-18
Total 70450 - UTILITIES	\$	75,486	\$	87,500	
<b>70500 - WAGES &amp; BENEFITS</b>					
GROSS WAGES	\$	89,868	\$	144,300	Estimated assuming 2018 costs with a 2% COL II
PAYROLL ADMINISTRATION	\$	1,696	\$	2,800	Estimated assuming 2018 costs with a 2% COL II
PAYROLL TAXES	\$	14,513	\$	20,700	Estimated assuming 2018 costs with a 2% COL II
RETIREMENT EXPENSE-ER	\$	2,092	\$	2,800	Estimated assuming 2018 costs with a 2% COL II
WORKMAN'S COMP	\$	2,827	\$	2,800	
Total 70500 - WAGES & BENEFITS	\$	110,997	\$	173,400	
70600 - SECURITY	\$	3,073	\$	3,100	
Total 70000 - OPERATING	\$	323,464	\$	423,900	
70075 - BAD DEBT S	\$	10,415	\$	10,400	
70700 - HARBOR RENT	\$	42,445	\$	43,600	Calculated as sum of Summer Dockage, Summer
Total Expense	\$	387,542	\$	496,700	
Net Ordinary Income	\$	86,737	\$	33,000	
<b>Other Income/Expense</b>					
<b>90100 - INTEREST INCOME</b>					
90150 - INTEREST INCOME	\$	416	\$	400	
Net Income Total 90100 - INTEREST INCOME	\$	416	\$	400	
Total Other Income	\$	416	\$	400	
Net Income	\$	87,153	\$	33,400	



## Secretaries Report: (Bill Tschohl)

### Motions approved by the board in 2019:

Changes to by-Laws: None

Changes to Standing Rules:

#### **Resident Live aboard Standing Rules**

5a. A one-year live aboard probation period is begun upon move-in to the slip *and spans an entire year including summer and winter boating seasons.*

**5e. A Survey of the live aboard vessel and engine/s will be completed within the last five years.**

**5f. A completed Coast Guard Auxiliary vessel safety check must be completed within the last year as required by the SPYC.**

**5g. Documentation of required insurance as specified by SPYC.**

**5h. By certified letter, the provisional live aboard will agree to abide by requisite rules of the SPYC. Further, If failing to attain Voting Membership status after the one-year probationary period, the provisional live aboard will willingly vacate the assigned slip by the end of the summer boating season and may not stay for a second winter season.**

All of the above referred qualifications and regulations are to be observed. After the one- year probationary period, the Provisional Live aboard application for regular voting membership into the SPYC is submitted by the prospective liveaboard, ~~by the marina manager, or by a sponsoring board member,~~ to the SPYC Board of Directors for approval or denial. If approved, the Live aboard becomes a permanent “Resident Live aboard” and a voting member of the SPYC. If the application is denied, the owner of the boat must move off the boat for the winter seasons but may remain a recreational boater upon approval of the Board of Directors. The boat may be required to move to another slip by the Marina Operations Manager thus providing an available vacant Live aboard slip.

#### **Finance Changes:**

Make the following changes for the 2020 budget:

- a. Increase the Summer Slip fee 3.5% from \$57 to \$59.00 per foot of slip length,
- b. Increase the Winter Storage fee 3.2% from \$31 to \$32.00 per foot of overall boat length,
- c. Provide a Cost of Living increase of 2% to all employees, and
- d. No other increases.

#### **Staff:**

##### **Motion:**

To hire a general helper to work no more than 20 hours a week. Duties as assigned by our Commodore.

Respectfully submitted: Bill Tschohl, 2019 SPYC Secretary

