**Bayport Marina Association**

**Board of Directors Meeting Minutes**

**November 17, 2022**

|  |  |  |  |
| --- | --- | --- | --- |
| **Member** | **Present** | **Remote** | **Absent** |
| Rachael Harvey (Commodore) |  | x |  |
| Meredith Pederson (Vice Commodore) |  | x |  |
| John Gagich (Treasure) |  |  | x |
| Katy Baune (Secretary) |  |  | x |
| Jason Fabio (Chair) |  | x |  |
| Don Grimm (Chair) |  | x |  |
| William Given (Chair) |  |  | x |
| Bryan Wilkinson (Chair) |  |  | x |
| Erik Westgard (Chair) |  | x |  |
|  |  |  |  |
| **BMA Staff** | **Present** | **Remote** | **Absent** |
| Kori Derrick-Cisewski (General Manager) |  | x |  |

**Business Meeting**

1. **Check in (all)**

6:31 Commodore Rachael Harvey calls the meeting to order.

1. **Consent agenda – discussion/approval: September minutes, September financials, and GM report (all)** 
   1. Motion to approve the minutes by Jason Fabio , seconded by Don Grimm. unanimous approval.
   2. Proposed Budget (Kori): Budget was reviewed. Numerous suggestions were provided by Rachael and the team to change some expense budget items. Kori will modify and present the budget to the Board for approval.
   3. General Manager Report - Approved
      1. LA Group – continue to work on that later.
      2. Employee Compensation Roster – Later
      3. Increase in Labor Rates – percentage of 80/20 inside to outside rates. Approve new labor rates. This change would not be made until the change of season. Anything people contracted for already will not be subject to the new rate.
      4. River Access – our access slope is 21%. Secondary watercraft 14 feet or under, could be up to 15 feet. Recommendation is previous policy. River access, under 15 feet, single access trailers, only BMA members, gate must be closed and locked after use.
2. **Status of Stewardship Circles:** 
   1. Landscaping (Kori)

Tree cutting is mostly completed on the first section (boulevard). Anything under six inches on banks will be done in the spring. We want to get those completed prior to trees getting larger. $10K of 100K budget used for this.

* 1. Service Building Expansion (Rachael)

City indicates impervious service too high, and we need to make some adjustments.

Likely need to make the existing service department more serviceable and reorganize it so the staff can make these parts more accessible.

Also discussed moving office up to break room. Staff do not feel this is feasible. The service office needs more functionality. We will keep the office where it has been for now.

The city has stated that we can’t increase impervious surface for either the service building or clubhouse. We would need to possibly rethink the clubhouse. Where would we get additional green space? Would need to take out asphalt.

* 1. Improving Access to Docks (Kori/Eric Pederson)

Kori will reach out to Eric Pederson to connect with contractors, also review elevations to try and have a ramp installed on D Dock in 2023. Let’s Go Fishing is planning on a financial donation for a portion of the cost ($30,000). Eric reaching out to River City Welding.

* 1. Clubhouse Remodel (Jason)

Jason would need to change the Clubhouse Building. The impervious surface calculation would not permit the expansion of the Clubhouse building, so we need to rethink that design. Jason recommended that we use one architect because of their knowledge of impervious surfaces, ADA compliance, etc. Kori checking on another architect recommended by Jason.

* 1. Dredging (Kori)

We should be receiving an estimate by the end of November. We would need to determine if the cost is feasible for us to handle.

* 1. Wi-Fi (Erik)

Erik has been working with Computer Repair & Services to figure out solutions and changes to the current system. We are looking at possible upgrades from our current carrier and “going by the book” and coming up with a plan with them.

It was suggested that we look at other marinas doing this and see what recommendations or best practices need to be reviewed.

1. **Other Business**
   1. LA Group (Land at end of D-Dock) Cross easement update. (Rachael/Kori)

Rachael and Kori met with the LA Group and provided a proposed Land Use Agreement document. The LA Group is reviewing with the members of the LLC/attorney to determine the next steps.

LA Group came back to us with a totally unacceptable easement. We are awaiting a response from Bill Kranz to determine the next steps.

Discussion indicates we should move forward and have further discussion with them. An agreement needs to be signed. The board is not in favor of LA Group’s proposal for an easement.

Kori will discuss with Bill Kranz the next steps.

* 1. Credit Card Surcharges – Marina incurs 3 ½ %

Discussion had that we should leave as is.

* 1. Staff Compensation Roster –

Approved as presented by Kori.

Don motion to approve, Erik seconded.

* 1. Discussed children of owners being employed. Gave Kori the ability to hire children of owners if she so desires. They would have to go through the interview process, etc.

1. **Executive Session (if needed)** 
   1. Compensation for General Manager discussed and approved. Don motioned Jason seconded.
2. **Adjourn** – 8:30 Don motioned to adjourn.

**Addendum to November 2022 Board Meeting Minutes:**

**General Manager Report –November 2022 Board Meeting**

**Report Published: 11/15/22**

**BMA Staff**

* The staff successfully made it through haul-out hauling-out and/or winterizing 230 boats! The last couple weeks after Luke was no longer with us and our temp help kept quitting, Ellsa and I joined the yard crew to keep the process moving. Now we truly know what the haul-out process is!
* The staff is thankful to be through the grind of haul-out which basically feels like the movie Ground Hogs Day when we are in the thick of it!

**BMA Financials**

**Profit and Loss Budget vs Actual – October 31, 2022 – NOT FINAL until Audit Review**:

* Total Income: $2,855,309; up $265,918 vs budget; up $199,818 vs last year
  + Biggest income area we were behind ($12K) is MarineMax Additional Rent (Commission)
* Total Expense: $2,723,384; up $133993 vs budget, up $282,688 vs last year
* Net Ordinary Income: $131,925; up $131,925 vs budget; down $82,870 vs last year

**Balance Sheet as of October 31, 2022 – NOT FINAL until Audit Reivew**:

* Total assets: $5,835,386; down $1,011 vs last year
  + Cash: $885,340
* Total liabilities: $232,613; down $139,102 vs last year
  + BMRP loan balance is $167,826

**AR Aging Summary as of November 15, 2022:**

* Total A/R Balance: $208,270
* Over 30 days A/R balance: $89,140
  + 54,660 just rolled into the 31-60 column – winterization invoices
  + MarineMax owes $47K and some of it is as only as July, spent this week working with them to get them to push through their accounts payable department and we should be receiving payment for it within about a weeks time.
* Of the $89,140, $4,299 of it is Group 41

**Operations**

* Work around the marina has transitioned to yard/dock closing and the service techs are performing drive service, pulling props that need work and work on boats that are coming in for refinishing or canvas.
* The off-season schedule/shop space allocations have been made. Refinishing is on their second boat and canvas is on their fourth.
* We only had one BMA slip (32’ powerboat) become available for rent and are working on filling it from a MarineMax boat sale and/or our waitlist.
* The landscape company removed the boulevard trees from the north end of A-Dock to the first ramp and ground the stumps to be ready for planting in the spring. They will continue work on the banks with the separately issued permit from the City when there is ice in the harbor to work from.
* November 29 Mullens CPA will be here to review the details of the year perform their field work.
* We have been receiving good feedback and questions about the BMA Pledge agreement, so I think this is bringing the necessary attention to these issues.

**Thought Work/Decisions**

* **LA Group Counter**
  + LA Group (land on the south end of D-Dock) countered our Land Use agreement with a “Grand of Access Easement”. Please see separate attachment for review. To be discussed during Old Business
* Please see attached for the **Employee Compensation Roster** including the proposed 1/1/23 raises and the proposed December Bonuses.
  + I took a slightly different route when considering raises this year. Normally there is not this much consistency, but due to the hard work and dedication of team that we have at this time I believe everyone should be receiving the maximum proposed.
  + As for the bonuses, we did meet the 10% over revenue, so there is a 3% payout from the company revenue and 3% based on performance.
  + Two employees (Ellsa & Nick) will transition from hourly to salary (correct term non-exempt to exempt) and thus their rates are slightly above the 6% increase.
  + Tom Matson also is being given a slightly larger increase due keeping the canvas department on budget for income even though he was the sole fabricator for seven months of the fiscal year. Additionally, industry standards show that wages of experienced employees should be 35-40% of the labor rate. The only staff member that is currently receiving a wage in that range is Jason Ovall, when Tom Matson should also be.
  + Greg Murphy’s rate is slightly lower and bonus is pro-rated since he joined us in August
  + The Board will need to have an Executive Session to determine any increase/bonus for me
  + I will need decisions/approval on these **by November 28** so that they can be communicated at reviews/bonus checks input into our payroll system.
* **Labor Rates**
  + Sunnyside - $112 (2023 rate)
  + St. Croix Marina - $125/$140 (2023 Rate)
  + Windmill - $120/130 (2022 Rate)
  + Afton - $115/$125 (2022 Rate)
  + MarineMax - $199 inside shop, Lake/River Service is more (2022 Rate)
  + Marine Specialties - $160 (2022 Rate)
  + **Therefore, I am proposing that we go with the rate discussed at the October Board Meeting of $125 for Members and $140 for outside.**
* **River Access**
  + Launch ramps should be designed to have a 12 – 15% slope. The BMA River Access has a slope of 21%! Recommended Policy for the River Access:
    - Watercrafts permitted for launching must be under 15’ (our Secondary Watercraft policy is for boats 14’ and under)
    - Only single axel trailers permitted
    - No power loading
    - Only BMA Members may use River Access
    - Gate must be closed and locked after use