

## **BARBADOS YACHT CLUB**

### **EXTRA-ORDINARY GENERAL MEETING MINUTES FOR THE BARBADOS YACHT CLUB (BYC) HELD ON THURSDAY, THE 17<sup>TH</sup> DAY OF AUGUST, 2023**

**PRESENT:** Dr. C. Isobella Parkinson - Commodore  
Mr. Michael Jones - Committee Member  
Mrs. Keithan Laurie - Committee Member  
Mr. Brian Cadogan - Committee Member

**ABSENT:** Mr. Christopher Parravicino - Vice Commodore  
Mr. Adrian Gale - Committee Member  
Mr. Satcha Kission - Committee Member

**BY INVITATION:** Mr. Wayde Clarke - General Manager  
Ms. Katrina Greenidge - Recording Secretary

#### **Item 1 – Call to Order**

- 1.01 The meeting was called to order at 5:38 p.m. by the General Manger and handed over to the Commodore.
- 1.02 The Commodore advised that privileged members' attendance would not contribute towards the quorum and that they would not be allowed to vote.
- 1.03 She advised that members were free to cast their vote and leave the meeting should they wish not to stay.
- 1.04 She tendered apologies on behalf of the Committee members who were absent due to illness and other personal obligations.
- 1.05 At 5:40 p.m. the meeting was declared called to order as the required number of 30 members with voting power had formed the quorum.

#### **Item 2 – To consider, and if thought, to amend the Subscription Schedule in accordance with Rule 14) Subscriptions and Fees for the year October 1<sup>st</sup>, 2023 to September 30<sup>th</sup>, 2024 and subsequent years as detailed in the schedule below which reflects a 7.5% increase in subscriptions.**

#### ***Proposal and rationale for Subscription increase***

- 2.01 The Commodore stated that the sole purpose of the meeting was to discuss and decide on the proposed increase of the subscription fee by 7.5%. She further stated that the increase would be permanent.

- 2.02 She referred to a schedule, which highlighted the fees currently paid by the members and the forecasted projections should the increase be approved. She added that privileged members' fees were frozen.
- 2.03 The Commodore informed the meeting that as at October 2023 it would mark 13 years since the last increase. She added that the subscription income had only increased by 4% for the period 2010 to 2022.
- 2.04 She reported that inflation was currently averaging 13%, an increase of 4% from 2022. Inflation had been averaged between 5% and 6% yearly over the period of 2010 to 2022.
- 2.05 The Commodore stated that based on the figures between 2010 to 2022, realistically an estimated increase of 60% would be required to maintain the buying power of subscriptions.
- 2.06 She highlighted that the biggest concern facing the BYC was that there was no financial reserve in place to cover essential repairs and maintenance nor to pay insurance deductibles should the property sustain major damage due a natural disaster. She stated that an estimated sum of half of a million dollars would be sufficient to have as the financial reserve. She added that the BYC experienced deficits in 2017, 2018 and during the COVID-19 Pandemic period.
- 2.07 The Commodore moved on to discuss some of the expenses the Club had incurred over the years. She reiterated that land taxes had increased by 46.2% during the 2010-2022 period. However, at the date of the meeting she was unable to confirm if the current year's taxes had increased, as she was not in possession of the 2023-24 land tax bill.
- 2.08 It was further stated that utilities had increased for the same period as well by 27.2%. She added that she believed that should the 2023 utilities be reviewed; it would show a greater increase.
- 2.09 She added that in comparison to 12 years ago, the security expense had increased by 125.7% additionally; bank charges for the same period increased by 278.6%. She reported that she had encouraged members to pay online to avoid incurring the credit card commission charges, to which some members have obliged.

***What we have already done to mitigate the increases in costs***

- 2.10 The Commodore discussed some of the initiatives taken to mitigate the increase in costs.
- 2.11 She stated that visitor passes had double over the past 2-3 years and consideration maybe given to increase the cost of the passes next year. She reported that boating charges were increased in 2022.

- 2.12 The Commodore added that BYC had increased its entertainment portfolio in hopes of attracting new members.
- 2.13 In terms of staffing, the Commodore reminded the meeting that BYC had made some employees redundant a couple of years ago, therefore resulting in high severance packages being paid. However, the current wages and salaries expense had decreased due to the number of staff members. Additionally, the BYC was no longer a unionized employer, which had its benefits.

***Comparison 2023 actual to budget and 2022***

- 2.14 The Commodore moved onto discuss the net revenue as at June 30, 2023 in comparison to the previous year.
- 2.15 She reported that Food and Beverage had accumulated an estimated \$142,000.00 as at June 30, 2023, which was higher than expected for the year and more than the previous year. She added that boating revenue had increased and this was due to the increase in the boating storage charges.
- 2.16 She further reported that there had been no movement with the gym, tennis revenue had not performed as expected and the retail sales were as a result of a sale of the inventory.
- 2.17 She explained that the operating expenses exhibited covered house and ground maintenance, accounting, and administration.
- 2.18 She explained that the other expenses highlighted in the schedule represented land taxes, depreciation, insurance, audit and bond interest and the BYC had little control over these expenses.

***Projected capital spend and essential repairs and maintenance***

- 2.19 The Commodore informed the members that the projected capital spend was estimated figures provided by Committee Member, Adrian Gale.
- 2.20 She reminded the meeting that asbestos and termites were discovered in the ceiling of the kitchen in the shot hall, which required extensive repairs. The cost of the repairs could not be determined as at the date of the meeting.
- 2.21 She reported that extensive repairs had be done to the boatyard washroom and boat shed. She also explained that at present, heavy rains resulted in problems; therefore, the awning of the ballroom would need to be extended and guttering added. The termite treatment of the ballroom floor and surrounding areas had already been completed.

- 2.22 The Commodore reported that the tent on the beach was in a state of disrepair and would need to be replaced with a bigger one. Additionally, the fences on Tennis Courts 1 and 2 were in dire need of repair.
- 2.23 In terms of the electronic monitoring system at the gate, a quotation had already been received and a company had been engaged to develop a prototype. The system would provide accurate statistics of the guests who entered the Club and most importantly deter members who exceeded the allotted number of times to bring in guests to the Club.
- 2.24 She informed the meeting that resurfacing of Tennis Courts 3 and 4 would be quite costly and unfortunately, the Club was not in a financial position to address this concern at present. She added that it would have to be discussed in more detail at a later date.
- 2.25 The Commodore reminded the members that the Inventory Control System – Clear Sky was not performing, as it should. She added that the General Manager and a Sub-committee member had undertaken an exercise to determine what improvements can be done to improve the efficiency of the department.
- 2.26 She stated that the inventory costing system needed replacing. The Accounts Receivable system (Jonas) was currently exploring a new inventory control add-on, which was a low cost option.
- 2.27 The Commodore spoke about the repairs and refurbishment of the main building and highlighted that extensive repairs would need to be done as was evident by the physical deterioration of the building, for example, the cracks in the walls, problems with the frames, etc. The costs of these repairs would have to be ascertained by having a complete survey of the building done, however, given the extent of the repairs, the costs would be high.
- 2.28 The Commodore concluded her presentation at 6:00 p.m. and opened the meeting for discussion.
- 2.29 A member queried whether the proposed 7.5% increase would be sufficient.
- 2.30 In response to a query about security, the Commodore responded that security guards would still be posted to operate the gate and to check and confirm the number of persons entering in vehicles to deal with the non-member problem. She also added that security would still be required for the beach.
- 2.31 A member stated that she welcomed the increase as she believed that whatever needed to be done to preserve the Club should be done. She added however, that the Club's identity seemed to be headed towards

entertainment. While she understood the need for some events, she did not want the identity of the Club to be changed. She also stated that a number of events were now being hosted on the beach as opposed to the ballroom. The Commodore added that should the events be stopped; the increase in subscription fees would be higher.

- 2.32 Committee Member, Keithan Laurie stated that she had recently taken over the entertainment portfolio and she drafted a survey to disseminate to the members to gather feedback in relation to their opinions and suggestions about events. She agreed that the ballroom was being underutilized.
- 2.33 The Commodore reported that when the BYC hosted events, its members did not support said events as much as we would like.
- 2.34 Another member shared the same sentiments regarding the increase in the subscription; however, he believed that it was not enough to cover the proposed expenses highlighted by the Commodore.
- 2.35 A member asked for clarity regarding the costs of the visitors' passes and the Commodore explained to him that the visitors paid for the passes. He also queried how often the subscription costs were reviewed, to which the Commodore reminded him that it had not been done in 13 years.
- 2.36 A member referenced the Commodore's weekly update of June 30 which spoke about the system overestimating the costs of sales and that the kitchen was operating better than expected. The member queried – 1) How was it estimating the costs of sales? and 2) What would be estimate for the full year?
- 2.37 The General Manager, Wayde Clarke, responded and stated that they had discussions with representatives of Clear Sky and conducted inventory stock counts, which showed in some instances that the stock had doubled. This was brought to the representative's attention who was unable to provide a definitive reason for the inaccuracy. He further stated that at present, that they had manually counted the inventory to ascertain accurate figures.
- 2.38 In relation to the low support of members to Club events, a member suggested that it should be investigated to determine the underlying reason for it. He also stated that management needed to address the reason why members do not dine at the Club and implement changes to encourage them to patronize the Club's restaurant and added that the previously mentioned survey would provide some feedback and/or suggestions for improvement.
- 2.39 A member stated that he believed that all avenues should be explored before proposing to raise member fees. He suggested that non-members should be charged to use the Club's facilities, as this initiative would

garner additional revenue for the Club. He added that he believed the twice a month rule be waived and the guests be charged a fixed fee for unlimited monthly access with a member. He concluded that he was against the proposed 7.5% increase in subscription fees.

- 2.40 The Commodore agreed with the proposal to charge the guests, however, this would require a change in the rules in order to be put into effect.
- 2.41 At 6:24 p.m. the General Manager encouraged those members who had not cast their votes to do so.
- 2.42 A member stated that there were too many unknowns in relation to the Club's finances and they needed to be addressed to correct any disparities. He went on to say that the Club was an aging one and should it continue with the current privilege membership rule, it could lead the Club to experiencing more financial challenges in the future. He added that he would put forward the proposal at the next Annual General Meeting (AGM) that the rule be changed.
- 2.43 The Commodore responded and said that while there was a cap as to how many honorary life members the Club could have, there was no cap for privileged members. She added that given this factor, any future increases would correlate with a decrease in the number of members and that would be a concern. She concluded that the suggestion made by the member was worth considering but it would require a change to rules to be effected, should it be approved.
- 2.44 A member stated to the meeting that an area previously used for the boats had been converted into a carpark, to which no revenue was generated and also lawn area which was underutilized. He added that there were currently persons on a waiting list to bring their boats to the Club, however there was no space to do so.
- 2.45 He also commented that only about 10% of the members spend money at the Club and he proposed that a monthly minimum spend of at least \$100.00 be made mandatory to contribute towards the Club's revenue and that same, be proposed at the next AGM.
- 2.46 The Commodore stated that the concerns were noted and responded that the proposed minimum spend was previously raised at two AGMs but was turned down on both occasions.
- 2.47 Members stated that the menu may need to be revamped to attract members to dine at the Club and also that the happy hour should be discontinued as it did not yield the result it was intended to, to which the Commodore agreed.

2.48 At 6:41 p.m. the Commodore announced that votes had been counted and announced as follows with the majority voting in favor of the increase of 7.5% in the subscription fees:

- ❖ 71 in favor of the increase
- ❖ 5 against the increase

**Item 3 - Adjournment**

3.01 The meeting adjourned at 6:45 p.m.

**Confirmed as a true record this** 15<sup>th</sup> **day of** January **2024 .**

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**Commodore**

