

**MINUTES OF THE EXTRA-ORDINARY GENERAL MEETING FOR THE  
BARBADOS YACHT CLUB AT THE CLUB-HOUSE ON  
THURSDAY 30 MARCH 2023 AT 5:30 P.M.**

**PRESENT:**

Dr C. Isobella Parkinson	-	Commodore
Mr Christopher Parravicino	-	Vice - Commodore
Mr Adrian Gale	-	Committee Member
Mr. Brian Cadogan	-	Committee Member
Mr Jonathan Still	-	Committee Member
Mrs Keithan Laurie	-	Committee Member

**ABSENT:**

Mr. Satcha Kissoon	-	Committee Member
Mr. Simon Wilkie	-	Committee Member

Other members totaling more than the minimum number of thirty (30) required for a quorum were present and duly registered.

**IN ATTENDANCE:**

Mr Wayde Clarke	-	General Manager
Ms Tarah Payne	-	Recorder

At 5:31p.m. the Commodore advised that there was a quorum and allotted an additional five (5) minutes to accommodate members signing in.

At 5:36 p.m. the Commodore called the meeting to order and welcomed the membership to the 2023 Extra-ordinary General Meeting of the Barbados Yacht Club (BYC). The Commodore apologised for the postponement of said meeting and notified the membership that the delay was due to the Committee awaiting the auditors' report.

The Commodore proceeded to read the agenda as printed.

**1. NOTICE AND AGENDA**

The Commodore read the agenda for the meeting, noting that the Audited accounts could not be changed, but that they would be discussed.

The Commodore handed over to Mr Archie Cuke, Chair of the Finance Committee to discuss the Audited Financial Statements and Auditors' Report for the year ended 30<sup>th</sup> September 2022.

## **2. THE AUDITED FINANCIAL STATEMENTS AND AUDITORS REPORT FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2022.**

Mr Cuke introduced the comparison of the statements from 2022 and 2021 and stated that there was a deficit of approximately \$408,000.00, approximately \$183,000.000 more than the prior year-end.

- He provided the reasons for the increased deficit being due primarily to the net effect of the severance costs of \$200,000.00 and the increase of utilities by \$111,000.00. Water's contribution of \$76,000.00 to the utilities' increase was said to be as result of a massive underground leak.
- Mr Cuke stated that there was an improvement in Food and Beverage operations of approximately \$65,000.00.
- The membership was informed that there was a pension recovery of \$50,000.00 (refund of prior year pension payments).
- Mr Cuke also presented the cash flow for the year ended September 30, 2022.

### **Discussion**

- Mr Peter Lewis questioned the implication of the qualification reflected in the data provided to the membership. Mr Cuke responded by stating that it is qualification because the Club does not revalue its pension fund every year
- Mr. Cuke stated that the Committee received an evaluation for the pension fund but since it was received in October 2022, it was not included in the audit report. He further stated that there are no issues with the pension fund. He added that it was a technical qualification.
- A member queried whether the pension plan is being reviewed and asked if consideration would be given to changing it to a direct contribution plan.
- The Commodore stated that same would have to be addressed at another meeting as it did not fall under the 2022 financials and would have to be considered by the Committee separately.
- A member questioned the financial statements in relation to subscriptions' revenue, where subscriptions increased by \$13,000.00 but membership moved up to 309 members. The member challenged the figures presented.
- The Commodore explained that the data at Note 17 reflected the reported number of members as opposed to number of memberships. The Commodore, however, admitted that she presumed that the numbers for 2021 from the auditors were incorrect.

- The member questioned whether the number of members reflected in the report were inclusive of all members of a family by giving the example that if it were a family of two (2), two (2) members would be reflected but only one (1) subscription would be paid. The Commodore confirmed this is correct.
- Mr Archie Cuke accepted that the revenue did not correlate with membership numbers but assured that the revenue was represented accurately, evidenced by what was collected for the period. He stated that the error was in Note 17, in relation to the membership, as the revenue was accurate.
- The Committee noted the member's point regarding Note 17 and would circulate a breakdown of membership.
- The member's second point concerned the loss of \$408,000.00. The member expressed that the problem lay with Food and Beverage as there was a loss of \$56,000.00 on a \$1,000,000.00 gross revenue.
- The Commodore explained the data by stating that it reflected the two (2) years negatively affected by the Covid-19 Pandemic (Covid) and other closures.
- Mr Cuke echoed the Commodore's statement that the BYC had faced significant losses due to Covid.
- A member asked for the costs of the beach ambassadors in the last financial year. The Commodore stated that beach ambassadors frequently worked on special events and an analysis by staff member would have to be done to obtain the costs.
- The membership discussed whether there was a need for the beach ambassadors and stated that it affected the proposed increase in subscription fees. Mr Cuke rebutted the discussion by outlining that the beach ambassadors played an integral role at the BYC.
- A member asked the Committee for a figure regarding the Club's performance as at the end of February or March.
- The Commodore stated that she was unable to provide the said information at the time of the meeting. This would be provided at a later date.
- A member asked whether the payment of \$250.00 for a one month use of the Club for visitors, can be abolished; the Commodore informed the membership that she would address visitor-related issues in her presentation.
- It was suggested that the Club should introduce the option for visitors to pay for fourteen (14) days (non-consecutive) as opposed to two (2) weeks consecutive, as an avenue to create revenue, as visitors would be able to make more use of fourteen (14) non-consecutive days.

- The Commodore stated that monitoring of the fourteen (14) days would potentially pose an issue but would be considered.
- A member queried the appearance of 'other' as a category in the financials provided to the membership and sought clarity on what they entailed.
- Mr Cuke informed the membership that he will draft a letter and provide them with a breakdown of the audited financial statements. He added that in practice, audited financial statements do not include this level of details.

#### **Action Point**

**To provide the Membership with a copy of the breakdown/details of the “other” categories in the audited financial statements.**

#### **Discussion Cont'd.**

- A member questioned whether a Management Letter accompanied the audited financial statements; the Commodore said this was not the case but stated that there was one (1) comment, being that the BYC was under resourced in the accounting department and its accountant needed better support.
- It was asked whether the membership would receive a response to Note 9. The Commodore stated that they will receive same via email.

#### **Action Point**

**To provide a response to the membership on Note 9.**

### **3. ELECTION OF FLAG OFFICERS**

Election of Flag officers in accordance with **Rule 20**.

The membership was informed that two (2) flag officers had been duly elected, namely:

- **Dr. Isobella Parkinson - Commodore**
- **Mr. Christopher Parravicino – Vice Commodore**

The Commodore explained that the item appeared on the Extra-Ordinary General Meeting's agenda due to circumstances preventing same from appearing in December 2022 Annual General Meeting's agenda.

There being no other nominations, the Flag Officers were duly elected.

### **4. TO CONSIDER THE RULE CHANGE RESOLUTIONS**

#### **4.1 Resolution 1**

The Commodore presented the first resolution, being:

*To consider, and if thought fit, to amend **Rule 18a) General Meetings** to replace the words “some day before the last day of December in each year” with “someday before the last day of January in the following year.*

The Commodore explained the rationale behind the resolution as there being a need to provide the auditors with additional time to complete their audit process and financial statements in time for the Annual General Meeting (AGM).

The Commodore put Resolution 1 to a vote by the membership, the motion being unanimously carried, the Resolution was duly passed.

#### **4.2 Resolution 2**

The Commodore presented the second resolution, being:

*To consider, and if thought fit, to amend **Rule 18b) General Meetings** to replace the words “on or before the 20<sup>th</sup> October preceding the meeting”, with “on or before the 20<sup>th</sup> December preceding the meeting.*

A member queried the resolution, to which the Commodore responded by clarifying that same was directly related to Resolution 1 and concerned the shifting of the dates. It was explained that “on or before the 20<sup>th</sup> December...” referred to the notice period.

The Commodore put Resolution 2 to a vote by the membership, the motion being unanimously carried, the Resolution was duly passed.

#### **4.3 Resolution 3**

The Commodore presented the third resolution, being:

*To consider, and if thought fit, to amend **Rule 8 Honorary Members** to replace the words “Her Excellency the Governor General” with “The President of Barbados.”*

The Commodore put Resolution 3 to a vote by the membership, the motion being unanimously carried, the Resolution was duly passed.

### **5. AGENDA ITEM 4**

The Commodore stated that Agenda Item 4, being:

*“To appoint auditors in accordance with **Rule 35) Appointment of an Auditor**”*

was not a resolution and proposed that the Committee be assigned the duty of appointing an auditor for the upcoming year (2024).

- The Commodore further stated that the Committee was looking at alternative auditors and at the time of the meeting, three (3) possibilities were presented to the Committee..
- A member queried whether the Committee had considered identifying three (3) auditors every year and then selecting the best.

- The Commodore responded by informing the membership that the period proposed (every year) was too frequent and emphasized that three (3) years would be satisfactory.
- The Commodore asked the membership whether anyone was against the Committee appointing an auditor for the upcoming year in the particular instance and stated that it would not be a reoccurring practice.
- All were in favour of the Committee appointing an auditor for the upcoming year.

### **5.1 AGENDA ITEM 5**

The Commodore presented Agenda Item 5 to the membership to justify the proposed fifteen percent (15%) increase in subscriptions for the year 2023-2024.

- The rationale behind the fee increase was explained as being mainly due to there not having been any increase in fees for the past twelve (12) years. The Commodore informed the membership that in 2010 subscriptions income was \$1,740,421.00 and in 2022, it was \$1,813,710.00, thus there being an increase of only four percent (4%).
- The Commodore presented the data which showed that if the BYC applied a conservative average inflation rate of three percent (3%) per annum over the twelve (12) year period to maintain the buying power of its subscriptions in 2010, it would require a subscription fee increase of over fifty percent (50%).

The Commodore presented an expense analysis for the years 2010 and 2022:

Item of expense	2010	2022	% increase
	BBD	BBD	
Land Tax	117,000	171,000	46.2
Utilities	136,000	173,000	27.2
Security	70,000	158,000	125.7
Bank charges	23,000	87,089	278.6

The utilities figure for 2022 excludes [the] one-off cost of the leakage.

- The utility increase was explained as due to a continuous increase in electricity prices.
- Regarding the security increase, the Commodore informed the membership that the BYC now has internal security as opposed to 2010 when there was no security or

previous years where BYC had one (1) security guard from Amalgamated Security Services.

- The Commodore stated that the increase in bank charges was as result of increased use of credit cards by members.
- The membership was informed that an increase in Land Tax for next year was also expected.
- The Commodore expressed that there were some one-off capital costs that needed to be undertaken, of which some had already been assumed:
  - Repair of the tennis court fence at \$14,000.00, with another court also needing repair.
  - Termite treatment of hardwood floor in the Ballroom at \$6,000.00.
  - Advanced electronic security system at approximately \$9,000.00.
- The Commodore stated that the electronic security system could be programmed to be linked to non-consecutive visitor's passes.
- The Commodore further stated that a potential additional cost regarding essential repairs of the main Club House may be necessary.

#### Other Factors Influencing the Need for an Increase

- The Commodore continued to state that other factors influenced the need for an increase in subscriptions. She outlined the dire need for same by highlighting that the BYC had no financial reserves to cover the costs of repairs (example given: damage caused by hurricanes or otherwise).
- Further, it was stated that a review of visitor numbers for the next winter season would be conducted as the Committee needs to decide whether they will restrict the number of visitor passes issued. The membership was alerted of the income consequence of this restriction.

#### Actions Undertaken to Mitigate the Increase in Costs

- Boating charges were increased.
- A re-evaluation was done on externally provided services and most were moved in-house, where possible with the use of ad hoc service contracts in some cases.
- The BYC has been providing more varied entertainment in an effort to encourage more members to come to the Club more frequently.
- Staffing had been re-organized to reduce the cost of wages and salaries. The BYC currently provides contracts between one (1) and two (2) years to new staff.

- A member thanked the Committee members for a job well done.

### Discussion

The floor was opened to suggestions and comments.

- A member suggested that the Committee should prioritize rectifying the deficit to return to a profit. They added that the increase of fees may lead to a disproportionate fall out; unable to be countered by the increase.
- Another member stated that they had no issue with the fee increase and recommended that children entering the Club under their parents' cards should be prevented from doing so or charged \$25.00 for entry.
- There was discussion on the need to have additional security measures enforced at the gate. The Commodore assured the membership that the electronic security system would alleviate the stress associated with non-members entering without paying.
- A member stated that a fee increase of five percent (5%) every three (3) years would be more manageable.
- The Commodore highlighted that the Committee will explore alternatives to the fifteen percent (15%) increase. However, she reminded the membership that the Club had not increased its fees for twelve (12) years and as result of inflation, it would not be sustainable to have the subscriptions remain as is.
- The Commodore stated that they may increase the cost of visitor passes.
- A member suggested that the Club increase tennis fees; the Commodore noted the point and would discuss with the Committee.
- Another member asked the Committee to consider an increase of seven and a half percent (7.5%) next year and seven and a half percent 7.5% the year after to make it more manageable for members.
- The Commodore stated that the Committee could not re-consider or change the fifteen percent (15%) resolution at the time of the meeting and added that a new resolution would have to be made for consideration on its own merit.
- The Vice Commodore informed the membership that it would not be fair to persons who were not present, nor those who sent in a proxy to the Commodore, to have the resolution changed at the time of the meeting.

### Agenda Item 5 - Vote



*To consider, and if thought fit, to amend the subscription schedule in accordance with Rule 14) Subscription 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 15% increase in subscription}.*

The Commodore put Item 5 to a vote by the membership, there being a majority vote against Item 5, it was not passed:

Those in favor of Item 5

- 17 members via Proxy and 15 members present totaling 32 members

Those not in favor of Item 5

- 2 members via Proxy and 41 members present totaling 43 members

Total Proxy forms received 19

The meeting was closed at 7:25 p.m.

**END OF MEETING**

There being no further business, the Commodore ended the meeting at 7:29 p.m.

Confirmed ..... 

Commodore

Dated ..... 

