



December 3, 2014

**To: City of Appleton – Finance Committee**

**Subject: Appleton Yacht Club – 2014 Annual Written Report**

Attached is the annual written report for 2014 pursuant to Paragraphs 23 & 24 of the lease agreement between the City of Appleton and the Appleton Yacht Club.

The content of this report includes the following information:

- Year to Date Financial Statements through October 2014  
(10 months-attached)
- Board of Directors Meeting Minutes – November 2014
- Annual General Membership Meeting Minutes – January 2014
- Capital Spending 2014  
Proposed Capital Spending 2015  
Updated 5-Year Capital Spending Budget
- Membership Summary and Update
- Volunteer Hours Log Summary

Thank you for your time and consideration.

Please contact me with any questions.

Mark S. Zelinski  
Commodore/Chairperson – Board of Directors  
Appleton Yacht Club  
[mzelinski@new.rr.com](mailto:mzelinski@new.rr.com)  
920-621-1456



## APPLETON YACHT CLUB BOARD OF DIRECTOR'S MEETING

November 13, 2014

The Appleton Yacht Club Board of Director's meeting was called to order at 1833 by commodore Mark Zelinski. Present were Maves, Kuether, Potter, Resch, Garvin, Murphy. Excused was Schubbe and Kozak and Bill Brown has resigned his directorship. A new director will be appointed by the commodore to fulfill the last two months of the obligation.

Motion to adopt the October minutes by Garvin, second by Murphy. Motion carries.

Potter adds to the agenda to speak about Light Up the Fox. Motion to adopt November agenda by Garvin, second by Kuether. Motion carries.

**TREASURER'S REPORT:** Tim Potter

- October sales rebounded from September.
- Budgeted house income of \$42,000 is at \$37,741 with two months to go.
- Final payment made on new kitchen equipment.
- May have to go into LOC for another \$10,000 until first of the year.

Motion to approve Treasurer's report by Murphy, second by Garvin. Motion carries.

**MEMBERSHIP REPORT:** Scott Maves

- The 26 applications on the wait list will be called.
- **SOCIAL MEMBERSHIP DUES ARE DUE ON 1-1-15 OR THOSE MEMBERS GO TO THE WAIT LIST.**
- **PROOF OF INSURANCE WILL BE MANDATORY TO GET A SLIP ASSIGNMENT FOR 2015.**

**FLEET REPORT:** John Resch

- Halloween party on 11/1 was well attended.
- Balance of checkbook is \$5,049 of which \$3,219 is Fleet, \$300 is First Mates, \$530 is New Year's fund, and \$1,000 is seed money.

**HOUSE REPORT:** Jim Potter, Andy Potter

- Costs down for House.
- House net income for October is \$3,545.46.
- Weekend menu to be simplified to maximize profitability.
- Scrub the Club is Saturday 11/22 starting at 9 am. Any amount of help is greatly appreciated.

**LESSOR REPORT:** Chris Schubbe - NO REPORT

**SLIPS AND DOCKS:** Jim Kozak - NO REPORT

AUDIT AND FINANCE: Dave Murphy

- Peachtree software up to date.
- 2015 budget introduced.

SAFETY AND MEASURER: Bill Frawley - NO REPORT

FIRST MATES: Betsy Zelinski and Heather Holmes

- Emergency Shelter and Harbor House will be adopted for Christmas giving.
- White Elephant party on Saturday 12/6 at 7 pm.
- Decorate the club on Wednesday night 12/3.

UNFINISHED BUSINESS

- Harbor concepts for improvements in place.
- Two permits will be needed.
- Professional rendering will cost \$1,500.
- Annual meeting with the city is 12/10 at 4:30 pm.

NEW BUSINESS

- Light Up the Fox organization will have a display on the old water treatment plant property near Fratello's.

MISCELLANEOUS

- Please record all volunteer hours.

Motion to adjourn at 1950 by Maves, second by Garvin. Motion carries.

General Membership meeting called to order by commodore Mark Zelinski. There was no business to conduct.

Motion to adjourn by Maves, second by Garvin. Motion carries.

Note: Josh Strahn sworn in under the bell as a yachting member.

Respectfully submitted,

Diane Kuether  
Secretary, Appleton Yacht Club

**Appleton Yacht Club  
Annual Membership Meeting  
January 11, 2014**

Commodore Dave Murphy called the Annual Membership Meeting of the Appleton Yacht Club to order at 1300. Officers and Directors present were Murphy, Maves, Zelinski, Kozak, Rudebeck, Kuether, Schubbe, Yale, Garvin. Tim Potter, Treasurer, was excused. Motion by Long, seconded by Rudebeck to accept the minutes from the January 12, 2013 Annual Meeting. The motion carried. Motion by Maves, seconded by Ray to approve the Agenda; the motion carried.

Mr. Murphy conducted a slide presentation and reviewed the year 2013 with a handout discussing our "Appleton Yacht Club ... the place people want to be". The presentation focused on a number of points:

1. Debt reduction – The AYC paid down debt from the building project nicely in 2013
2. Revenue – The Club will need to look for additional sources to expand for the future
3. Volunteerism – We need as an organization to revitalize our volunteers in 2014
4. City of Appleton – We have a great relationship with the city and we need to prepare for the riverwalk

Mr. Zelinski, Secretary gave the annual Treasurers Report in Mr. Potters absence. Overall, financial activity for the AYC in 2013 was quite successful.

- Combined budgeted income for the House, Marina and Club exceeded budget for the year.
- The current operating line of credit stands at \$50,000 and will be paid off in the next 60 days.
- Our mortgage with Community First Credit Union mortgage is at \$274,000 as of 12/31/13. It is on schedule with an additional payment to be made (approximately \$25,000) in February or earlier.

AYC Revenue (\$000's)	<u>2013</u>	<u>Budget</u>	<u>Change</u>
House	392	395	- 3
Marina	42	46	- 4
Club	<u>142</u>	<u>131</u>	<u>+ 11</u>
Total Revenue	\$576	\$572	+ \$4

AYC Income (\$000's)	<u>2013</u>	<u>Budget</u>	<u>Change</u>
House	33	35	- 2
Marina	30	33	- 3
Club	<u>37</u>	<u>19</u>	<u>+ 18</u>
Total Income	\$100	\$87	+\$13

Motion by Kozak, seconded by Rudebeck to accept the report. The motion carried.

Mr. Maves, Vice Commodore, gave the membership report. The 2013 membership cap, per the formula spelled out in the bylaws, will be as follows: 127 Yachting, 273 Social = 400 Total. As of this date, we have 103 Yachting members and 251 Social members for a total of 354. There are 5 honorary members and 49 social members on a waiting list. At this meeting a motion will be voted on to allow for additional members.

Committee Chairs then reported on their activities in 2013. All committees were appreciative of the support from members. Much work was accomplished during the year. The club had many enjoyable parties and events. The harbor and our social membership were at capacity by mid-year. We had a great time and kept everybody safe.

The various reports were delivered as follows:

House & Property - Mark Zelinski  
Lessor - Chris Schubbe  
Measurer - John Scherzinger  
Finance/Audit - John Yale

Fleet Committee - Diane Kuether  
Safety - Bill Frawley  
First Mates - Heather Holmes  
Slips & Docks - Scott Bruner

Dave Murphy then presented the motion on the table to amend the by-laws and allow for increased membership. Zelinski read the motion:

“The membership of the Appleton Yacht Club will approve and modify the bylaws to set membership guidelines to 325 Social Members, 150 Yachting Members for a total of 475, effective immediately.”

The membership voted via secret ballot; the motion passed by the required 2/3 majority. The bylaws will be modified as of this date.

The Board then moved to the annual election process. John Zuleger, chair of the Nominating Committee, took charge of the process. The tellers nominated and approved were Guy Martinek, Barry James, Kevin Lillge.

The candidates were as follows.

- Commodore Mark Zelinski, Bill Brown
- Vice Commodore Scott Maves, Steve Uslabar
- Treasurer Tim Potter
- Secretary Diane Kuether, Steve Uslabar
- Director - 3 positions Scott Bruner, Bill Brown, Scott Rudebeck, John Resch, Dave Murphy,

Diane Kuether after

position is a two

position.

James Ray, Bill Frawley

(Notes: (1) the 3<sup>rd</sup> Director position was vacated by

winning the election for Secretary, (2) the 3<sup>rd</sup> Director

year assignment, (3) James Ray ran only for the two year

The new Board of Directors, after conducting the election process, is as follows:

Mark Zelinski – Commodore

Scott Maves – Vice Commodore

Treasurer – Tim Potter

Secretary – Diane Kuether

Bill Brown – Director (3 year term)

Dave Murphy – Director (3 year term)

John Resch – Director (2 year term)

Directors Schubbe, Garvin, Kozak

remain in office

Motion by Maves, second by Rudebeck to destroy the ballots. The motion carried.

Motion by Ray, second by Maves to adjourn the 2013 Appleton Yacht Club Annual Meeting. The motion carried.

John Yale then swore in the new officers and Directors.

Respectfully,

Mark S. Zelinski  
Board of Directors  
Secretary 2013

# APPLETON YACHT CLUB



*Serving Boaters Since 1932*

*On the Historic Fox River*

December 3, 2014

## Capital Spending Report

**2014**

### Marina

Dock Repair	\$ 3,800
Buoy Lighting	\$ 2,000
AYC Work/Rescue Pontoon	\$ 1,200
Marina Lighting	\$ 1,400
Slip Repair	\$ 4,900
Miscellaneous Repair	\$ 5,200

### Clubhouse

Stove/Oven/Kitchen Equipment	\$ 16,600
Air Conditioning Unit	\$ 3,400
Restaurant Equipment	\$ 2,000
Fencing & Property	\$ 2,400
Miscellaneous Repairs	\$ 4,400
<b>Grand Total 2014</b>	<b>\$ 47,300</b>

**2015 Plan**

Dock & Slip Repair	\$ 4,000
Work/Rescue Pontoon Outboard Motor	\$ 5,000
Lighting Upgrade/Security Cameras	\$ 4,000
Ice Machine	\$ 3,000
Miscellaneous Repairs	\$ 4,000
<b>Total 2015</b>	<b>\$ 20,000</b>

## AYC 5 Year Capital Spending Plan

<b>2015</b>	See above.	<b>\$20,000</b>
<b>2016</b>	General Maintenance & Repair – Marina General Maintenance & Repair – Clubhouse House Furniture Replacement	<b>\$20,000</b>
<b>2017</b>	Major Marina Renovation * Slip & Dock Repairs per Preliminary Plan	<b>\$50,000</b>
<b>2018</b>	Major Marina Renovation (continued) Remove existing Structures per trail plan Create AYC storage facility/Tack House	<b>\$50,000</b>
<b>2019</b>	Major Marina Renovation (continued) Parking Lot Resurface/Replacement	<b>\$20,000</b>

\*Note: The City of Appleton and the DNR have begun preliminary discussions in preparation for significant improvement to the Appleton Yacht Club Marina and waterfront.



December 3, 2014

## Appleton Yacht Club – Membership Report

In 2014, per the January Annual Membership Meeting minutes, the Appleton Yacht Club amended their bylaws to allow for increased membership.

### January 2014

*“The membership of the Appleton Yacht Club will approve and modify the bylaws to set membership guidelines to 325 Social Members, 150 Yachting Members for a total of 475, effective immediately.”*

*The membership voted via secret ballot; the motion passed by the required 2/3 majority. The bylaws will be modified as of this date.*

Previously, the membership was capped at 400 members total, split via formula at approximately 275 Social, 125 Yachting.

As of this writing. The Appleton Yacht Club “Social” Membership ranks are full and at **325** members with approximately **25** individuals on a waiting list.

Current Yachting Membership stands at **121** for a grand total of **446** members.



## Volunteer Hours Report 2014

	<u>Hours</u>
Q1	1107
Q2	1266
Q3	965
Q4 to date	783

**Total to date 4121**

**Appleton Yacht Club  
Balance Sheet  
October 31, 2014**

		<u>Current YTD</u>	<u>Prior YTD</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
1000	Cash on hand	\$ 1,600.00	1,600.00
1045	Savings-Scrip	3,328.97	2,198.79
1060	Community First Checking Acct.	2,060.83	169.23
1070	Community First Savings Acct.	1,640.45	1,923.81
1100	Accounts Receivable-House	2,808.00	1,961.00
1103	Accounts Rec -Yachting/Ad Sale	180.00	2,425.97
1400	Inventory-food	4,724.17	5,818.08
1401	Inventory-bar	9,209.70	9,832.32
1500	Fleet Account	1,000.00	1,000.00
		26,552.12	26,929.20
	<b>Total Current Assets</b>		
<b>Property and Equipment</b>			
1700	Building & dock	510,160.39	509,525.59
1705	Building Addition - 1978	227,575.00	227,575.00
1710	Furn/fix/equip-club	104,073.14	95,869.81
1715	Furn/fix/equip-house	87,660.83	87,660.83
1750	2012 Building Expansion	493,662.00	493,662.00
1755	2012 Club Improvements	127,473.38	127,473.38
1760	POS System	8,997.05	8,977.15
1770	Deck Remodeling - 2012	11,400.00	11,400.00
1800	Accumulated depreciation	(552,593.31)	(523,433.31)
		1,018,408.48	1,038,710.45
	<b>Total Property and Equipment</b>		
<b>Other Assets</b>			
	<b>Total Other Assets</b>	0.00	0.00
	<b>Total Assets</b>	\$ 1,044,960.60	1,065,639.65

A-1



**Appleton Yacht Club  
Balance Sheet  
October 31, 2014**

		<u>Current YTD</u>	<u>Prior YTD</u>
<b>LIABILITIES AND CAPITAL</b>			
<b>Current Liabilities</b>			
2000	Accounts payable- ALL	\$ 25.00	25.00
2001	Accounts payable-CLUB	6,554.78	(593.25)
2010	Gift Cards	250.00	3,374.10
2013	2013 Scrip Liability	0.00	2,198.79
2014	2014 Scrip Liability	3,328.97	0.00
2500	Accrued fica & federal w/h	11,768.93	(2,596.68)
2520	Accrued state w/h	(2,991.56)	332.82
2530	Accrued unemployment tax	1,818.58	1,891.19
2550	Acc sls tax	2,392.65	1,339.04
2580	CFCU-Operations	17,000.00	50,000.00
	<b>Total Current Liabilities</b>	<u>40,147.35</u>	<u>55,971.01</u>
<b>Long-Term Liabilities</b>			
3000	Community First Mortgage	251,268.31	274,973.64
3010	POS Financing	0.00	4,247.89
	<b>Total Long-Term Liabilities</b>	<u>251,268.31</u>	<u>279,221.53</u>
	<b>Total Liabilities</b>	<u>291,415.66</u>	<u>335,192.54</u>
<b>Capital</b>			
3900	AYC, Retained Earnings	509,546.61	487,104.28
3950	Member Capital Contributions	193,855.49	188,575.49
	Net Income	50,142.84	54,767.34
	<b>Total Capital</b>	<u>753,544.94</u>	<u>730,447.11</u>
	<b>Total Liabilities &amp; Capital</b>	<u>\$ 1,044,960.60</u>	<u>\$ 1,065,639.65</u>

A-2

**Appleton Yacht Club  
Income Statement  
For the Ten Months Ending October 31, 2014**

	This Month 14	This Month 13	14 To Date	14 YTD Budget	13 To Date
<b>House Revenues</b>					
Sales Bar	\$ 18,050.00	\$ 19,930.75	\$ 256,936.80	246,000.00	\$ 230,311.36
Sales-Fri Food	5,182.10	4,083.65	56,680.28	57,500.00	52,339.50
Sales-Grill Food	3,912.03	5,265.95	60,871.82	55,500.00	58,084.64
Misc. Income	0.00	0.00	0.00	0.00	487.66
<b>House Total Revenues</b>	<b>27,144.13</b>	<b>29,280.35</b>	<b>374,488.90</b>	<b>359,000.00</b>	<b>341,223.16</b>
<b>House Cost of Sales</b>					
Purchases-bar	4,875.87	7,384.69	90,452.87	93,000.00	86,793.69
Supplies-bar	0.00	0.00	1,083.73	1,100.00	887.58
Purchases-food & grill	4,599.79	4,315.08	74,505.56	64,000.00	56,577.25
Purchases Consumables	0.00	373.83	3,913.73	5,000.00	5,125.64
Purchases-clothing	0.00	0.00	25.00	0.00	497.37
Party exp. house	0.00	0.00	0.00	0.00	24.00
Sales tax paid House	1,575.50	1,623.96	8,172.50	10,500.00	18,279.30
Credit card fees	1,034.43	908.04	6,902.53	7,000.00	5,684.95
<b>House Cost of Sales</b>	<b>12,085.59</b>	<b>14,605.60</b>	<b>185,055.92</b>	<b>180,600.00</b>	<b>173,869.78</b>
<b>House Gross Profit</b>	<b>15,058.54</b>	<b>14,674.75</b>	<b>189,432.98</b>	<b>178,400.00</b>	<b>167,353.38</b>
<b>House Expenses</b>					
Wage House Mgmt	1,771.95	2,333.51	29,286.20	25,833.20	25,833.20
Wages-bar	2,362.76	2,972.53	31,275.18	30,800.00	32,758.63
Wages-Assistant	49.50	501.13	1,549.25	3,500.00	3,946.19
Wages-food	2,820.65	2,826.71	36,414.70	30,000.00	28,794.27
Wages House Mtce.	0.00	0.00	23.96	0.00	0.00
Taxes- FICA	689.09	821.74	8,961.16	9,125.00	8,145.82
Taxes-Unemployment	157.92	643.37	2,420.87	2,500.00	2,891.98
Telephone house	0.00	55.00	160.00	250.00	649.80
Utilities house	1,401.24	1,353.56	16,885.36	15,000.00	14,369.64
Housekeeping	1,421.00	1,126.25	14,156.92	13,950.00	9,895.18
Laundry	351.77	404.44	3,972.30	3,500.00	3,784.20
Repairs & maint. house	482.89	305.96	4,835.70	3,650.00	2,680.84
Miscellaneous expense	0.00	40.00	1,071.95	1,200.00	1,032.13
Cash over/under	4.31	0.00	677.58	0.00	0.00
<b>House Ttl. Operating Exp.</b>	<b>11,513.08</b>	<b>13,384.20</b>	<b>151,691.13</b>	<b>139,308.20</b>	<b>134,781.88</b>
<b>House Net Income (Loss)</b>	<b>\$ 3,545.46</b>	<b>\$ 1,290.55</b>	<b>\$ 37,741.85</b>	<b>\$ 39,091.80</b>	<b>\$ 32,571.50</b>

A-3

**Appleton Yacht Club  
Income Statement  
For the Ten Months Ending October 31, 2014**

	This Month 14	This Month 13	14 To Date	14 YTD Budget	13 To Date
<b>Marina Revenues</b>					
Mooring App. Fee	\$ 0.00	(\$ 157.50)	(\$ 757.50)	0.00	(\$ 457.50)
Transient Slip Fees	0.00	0.00	584.34	1,000.00	304.50
Winter Storage Fees	0.00	150.00	0.00	1,000.00	150.00
Annual Slip Fee	0.00	0.00	25,517.11	25,500.00	25,517.11
Summer slip fees	0.00	0.00	17,251.78	15,500.00	16,821.51
<b>Marina Total Revenues</b>	<b>0.00</b>	<b>(7.50)</b>	<b>42,595.73</b>	<b>43,000.00</b>	<b>42,335.62</b>
<b>Marina Expenses</b>					
Utilities-Marina	700.00	774.66	5,363.74	10,000.00	8,157.11
Repairs & maint.-slips & docks	166.60	859.05	1,562.22	3,000.00	2,362.36
Wages Harbor Mtc.	225.00	795.00	3,157.50	0.00	4,860.00
<b>Marina Total Expenses</b>	<b>1,091.60</b>	<b>2,428.71</b>	<b>10,083.46</b>	<b>13,000.00</b>	<b>15,379.47</b>
<b>Marina Income (Loss)</b>	<b>(\$ 1,091.60)</b>	<b>(\$ 2,436.21)</b>	<b>\$ 32,512.27</b>	<b>30,000.00</b>	<b>\$ 26,956.15</b>

A-4

**Appleton Yacht Club  
Income Statement  
For the Ten Months Ending October 31, 2014**

	This Month 14	This Month 13	14 To Date	14 YTD Budget	13 To Date
<b>Club Revenues</b>					
Sales-gas & oil	\$ 220.10	\$ 85.00	\$ 13,809.08	12,000.00	\$ 14,898.84
Dues Yachting	0.00	0.00	34,961.76	33,000.00	33,000.00
Dues Social	0.00	0.00	96,000.00	82,000.00	84,000.00
Yachting Initiation Fee	0.00	0.00	1,350.00	900.00	1,800.00
Miscellaneous income	0.00	0.00	7,337.00	4,000.00	8,328.49
Interest Income	0.00	0.20	176.84	0.00	30.28
<b>Club Total Revenues</b>	<b>220.10</b>	<b>85.20</b>	<b>153,634.68</b>	<b>131,900.00</b>	<b>142,057.61</b>
<b>Club Expenses</b>					
Purchases-gas & oil	0.00	83.44	11,327.96	12,000.00	11,393.09
Wage Club Mgmt	997.29	997.29	9,942.90	12,000.00	9,972.90
Wages Club Mtce.	780.00	172.50	4,751.25	0.00	900.00
Taxes-personal property	0.00	0.00	898.25	900.00	893.11
Taxes-real estate	0.00	0.00	13,863.92	13,600.00	10,935.79
Rent	895.52	869.44	8,955.20	11,000.00	8,694.40
Telephone club	0.00	54.95	159.70	300.00	719.70
Waste Removal	0.00	332.27	2,382.60	0.00	2,089.48
Maint lawn/snow removal	0.00	72.45	1,348.75	2,400.00	1,637.45
Repairs & maint. bldg.	0.00	0.00	73.50	0.00	560.10
Dues paid	0.00	0.00	1,433.00	750.00	701.00
Licenses	0.00	0.00	738.61	2,000.00	1,995.00
Office supplies	0.00	14.70	752.11	1,500.00	577.89
Membership Related	0.00	60.58	326.27	0.00	1,418.75
Miscellaneous-Club	414.80	0.00	4,647.94	4,000.00	2,284.34
Professional fees	45.68	0.00	3,223.08	3,500.00	1,919.65
Bank Service Charge	36.21	(1.60)	2,384.29	250.00	269.51
Insurance Liab. & Work Comp	0.00	0.00	23,310.95	23,000.00	21,823.90
Health insurance	0.00	525.00	3,150.00	4,800.00	5,290.00
Interest expense	1,135.88	1,648.75	11,697.93	15,000.00	15,171.96
<b>Club Total Expenses</b>	<b>4,305.38</b>	<b>4,829.77</b>	<b>105,368.21</b>	<b>107,000.00</b>	<b>99,248.02</b>
<b>Club Income (Loss)</b>	<b>(\$ 4,085.28)</b>	<b>(\$ 4,744.57)</b>	<b>\$ 48,266.47</b>	<b>24,900.00</b>	<b>\$ 42,809.59</b>
<b>Total Club Net Income (Loss)</b>	<b>(\$ 1,631.42)</b>	<b>(\$ 5,890.23)</b>	<b>\$ 118,520.59</b>	<b>93,991.80</b>	<b>\$ 102,337.24</b>
<b>Budgeted Expenditures</b>					
House Budgeted Expenditures	\$ 5,233.83	\$ 1,152.95	\$ 22,367.24	10,000.00	\$ 11,361.81
Club Budgeted Expenditures	0.00	274.00	2,435.58	0.00	253.88
Harbor Budgeted Expenditures	748.50	72.45	17,440.93	10,000.00	5,866.24
<b>Budgeted Cap. Improv. &amp; Mtce.</b>	<b>\$ 5,982.33</b>	<b>\$ 1,499.40</b>	<b>\$ 42,243.75</b>	<b>\$ 20,000.00</b>	<b>\$ 17,481.93</b>

A-5