



Bayside Swimming Club
Board of Directors Meeting – Wednesday, January 12, 2022
7:00 pm

7:07 pm Call to order via Zoom

In virtual attendance: David Cohn, Chris Fairbanks, Rick Rosbach, Teresa Handy, Ken Ericson, Dan Stockwell, Paul Troutman, and Jermaine Larson. Absent: Sharon Loeppky and Stephanie Walters.

Approval of the minutes:

Minutes from the previous board meeting held on April 22, 2021, were approved.
(Motion by Rick, seconded by Ken, passed unanimously)

Treasurer Report (Teresa Handy)

Teresa Handy presented reports for the fiscal year ending 10/31/21, summarized as follows (with some journal entries still pending):

Bayside Splash P&L:

Gross Profit:\$87,036.12
Gross Expenses:\$63,143.72
Net Income:\$23,892.40

Bayside Splash Balance Sheet:

Total Assets:.....\$106,648.95

Bayside Swimming Club P&L:

Gross Profit:\$155,911.84
Gross Expenses\$170,419.69
Net Income: (\$14,507.85)

Bayside Swimming Club Balance Sheet:

Total Assets:.....\$156,096.16

Notable information:

- \$2,900 income from Waiting List fees, representing 116 new families on the waiting list in FY2021
- We underestimated what it would cost to not open the pool in 2020 due to the pandemic.
- We raised fees several years ago with the intention that we would not raise fees for five (5) years but that by the end of that time, we would most likely be operating at a loss and would once again have to determine how much we would raise fees.
- As a result, a \$14,000 loss is not unexpected.

Pool Manager's Report (Ken Ericson)

We opened under state-mandated protocols, with three to four guards on duty at all times (with the extra guard to facilitate cleaning). We put swim lessons on hold until the state removed some restrictions, but we opened online registration normally with the assumption that lessons would take place. Nearly all class spaces were filled. There was no swim team for 2021. Member use of the pool was higher than in past years, likely due to people not traveling due to COVID-19. All pool rental spots were filled for the entire summer. We had to remove the slide because it was cracked and therefore unsafe; it will need to be replaced at a cost of approximately \$3,000 to \$4,000. We ran the pool using just one heater; had we opened earlier, we would not have been able to maintain the pool temperature. We will need to replace the non-working heater this year at a cost of approximately \$7,000 to \$8,000. The spa heater also has issues. Some areas of the pool bottom need to be

patched. Bayside Membership Party was a success. Ken and Randy replaced a toilet in the Men's Washroom. The Family Shower Room has been a huge success. Instructor and guard staff did a great job, particularly in light of having to supervise COVID-19 restrictions. New employees were particularly good. We have a limit of 50 employees per corporation per quarter to avoid having to provide medical insurance benefits, so we will need to balance our payroll for both Bayside and Splash. Those paid as 1099 consultants do not count toward the 50. Regular employees end up being both lifeguards (Bayside) and instructors (Splash).

Swim Lesson Report (David Cohn)

Per the treasurer's report, swim lessons generated gross revenue of \$87,000, representing 1,174 individual class registrations, which was 350 below 2018 (could not locate 2019 numbers and there were no lessons in 2020). We did have a COVID-19 outbreak during the final session of swim lessons. We identified the class and the four families, with resulting spread to the affected families, but by the time we were able to follow up with the Health Department, lessons were already done for the season.

Membership Report (Dan Stockwell)

Dan Stockwell reported on membership as of December 31, 2021.

- 438 families on the waiting list
- Highest on list joined on 7/7/2014
- There were 200 stockholders and 68 summer members
- Dan sold one stock during the off season

Proposed Changes to Dues, Swim Lessons, and Swim Team (David Cohn)

Presented a proposal to increase various membership fees as follows:

	Previous annual dues	2022 Annual dues
Active Stockholders	\$550	\$600
Summer Members	\$775	\$825
Inactive Stockholders	\$150	\$175
Waiting List Fee	\$25	\$25
Stock Purchase Fee	\$3,000	\$3,000

These amounts are based on the fact that the minimum paid to a newly hired employee will be \$15/hour and that all major costs (pool chemicals, gas, electricity, sewer, internet, telephone, etc.) have increased.

Questions and discussion:

- Will these increases be enough? (No promises)
- Should we raise stock price? The current price does not accurately reflect the true current valuation. But it may not be good to raise both dues and stock price in the same year. We do have a formula for calculating the price based on the assessed value. We need to locate that formula.
- We need to decide on dues tonight so that it can be programmed into the annual renewal process.

Motion passed to accept the new fees as presented, except that the Stock Purchase Fee would be revisited at a future date. (Motion by Rick, seconded by Paul, passed unanimously)

Presented a proposal to make major changes to swimming lessons:

- Offer only four (4) sessions of 2-weeks each (for a total of eight weeks)
- No longer offer Session 5 (1-week) because we cannot retain enough instructors for that final week
- Raise cost from \$95/class to \$120/class for non-members and from \$85/class to \$100/class for members
- Eliminate the multi-child discount
- All registrations must be done online and be paid in full at the time of registration
- No discount for early registration
- Eliminate split-sessions; all classes are based on the scheduled 2-weeks of instruction

- We will adjust the fee to the proper rate if someone registers as a member but is actually a non-member
- Swim team will increase from \$90 to \$120 for non-members and from \$85 to \$100 for members

Motion passed to accept the new fees. (Motion by Rick, seconded by Ken, passed unanimously)

Nominating Committee for 2022

Renewal for terms of Ken Ericson, Jermaine Larson, and Paul Troutman. All three stated that they wished to remain on the board of directors.

Set Dates for Annual Meeting

Motion passed to hold the 2022 Annual Stockholders Meeting on Tuesday, February 15, 2022, at 7:00pm via Zoom

Other Business

- Ken Ericson noted that we will need a new load of gravel for the overflow parking lot. This is not a big expense
- The annual membership renewal email will go out on Monday, January 17, 2022
- Respond by Tuesday, March 15, 2022
- Pay dues by Friday, May 6, 2022
- A motion passed that all board members will pay the inactive member fee
 - Board members who are also employees will receive a raise equivalent to the inactive fee
- Palm trees are safely stored in the Women's Room.

Tabled

Establish the new stock price based on the appraised value of the pool less a multiplier (to account for depreciation). David and Teresa will talk with Larson Gross to determine the formula and report back at a future meeting. As board members, we have a fiduciary duty to set the stock price appropriately, but we also have a desire to not price membership beyond the reach of the community traditionally served. We are not a country club and never want to be. Noted: We still have the ability to ask for an Administrative Review to remove the 200-member cap, so that we can raise the number of shares available. We have not pursued this option because we were hoping to also combine our two properties and/or move the fence to incorporate the grassed area to the west, but it does not appear that we can pursue either of these options without a new Conditional Use Permit (CUP) application and associated hearings. Chris Fairbanks had done the research and recommends that we wait until such time that we have to do major capital improvements—such as changing/replacing the current pool buildings. That would be when we would consider a new CUP. By increasing the number of stockholders, we can hold the stock price and clear some of the waiting list.

Meeting adjourned at 8:45pm.

Respectfully submitted by,

Teresa Handy (forwarded to Jermain Larson and augmented by David Cohn based on Zoom recordings)