

Kerikeri Cruising Club Inc (KCC)

Minutes

Meeting of the General Committee Monday 17 February 2014

The meeting commenced at 7.30pm

1 Attending

L Ayr (Commodore), J Murdoch (Vice-Commodore), M Beauchamp (Rear Commodore), D France (Secretary), A August, T Bingham, T Dalbeth-Hudson, I Derrick, P Harris, D Smith (Treasurer), A McSweeney, T Brown, N Cates

M MacDiarmid (attending).

2 General Business

2.1 Marina Financial Structure, Scope of Marina Budget & the Recommendations of the 'Committee of Six'

D Smith (Treasurer) outlined the proposal developed by him & A McSweeney. He noted the purpose of the proposal was to comply with the relevant legal documents, & introduce a more equitable system of charging annual fees, & calculating a 'management fee' that is explainable & justifiable.

The key question to achieving this is:

What income & expenses should fall within the marina scheme & what shouldn't?

The Statutory Supervisor states the visitor pool is not part of the scheme. The proposal would separate the visitor pool income & the bulk of the visitor pool expenses (wages) from the marina scheme operating budget. This would also remove the misconception that the Marina Scheme has a cash surplus. These funds are not an operating surplus but a cash asset held against the annual visitor pool liability i.e. the funds owed to licensees who have place their berth in the pool for rental. A separate visitor pool bank account would be established to make that area of business independent.

The haul out is part of the marina scheme.

It was noted that the budget figures used in the example are the same as J Durham's (previous Treasurer) budget.

Under the new proposed budget format only operating expenses (less some expenses that are recouped directly from users) would be recouped from berth license holders via their annual fees.

Refurbishment contributions should be outside of management fee calculation. But when refurbishment is spent it is included in management fee calculation.

Aim: to get operating costs of marina equal to fees charged.

There was extensive discussion around:

- Will the General Committee disregard the previous budgets?
- Will the General Committee disregard the Recommendations of the 'Committee of Six'?
- Why is management fee there? Payment from marina to Club - justified? Land, resources provided to marina. Return on investment but Club did not invest dollars. Fee is in the documentation, & is levied as of right by the Club on the license holders. Loss of pile moorings.

A August arrives.

- Management fee not in dispute by license holders.
- Management Fee of up to 10% unless there is less than \$30,000 in the bank account. Management fee "not exceeding 10%" is different than 'a Management fee of up to 10%'.
- Remove all items that are not part of the marina, haul out is it part of the scheme? Haul out would be a loss making cost centre. However haul out reduces grid use & diving on boats. Haul out would remain part of the scheme.
- Visitor pool income & expenses will be taken out of the marina budget.
- Unlicensed marina berths - proposal: Club possesses unlicensed berths & operates them in the same way as all other berths in respect of their rental i.e. that the rental income goes into visitor pool, Club receives a payment from visitor pool & pays the size appropriate annual fee.

What are amounts received annually? \$19,000 approximately if fully occupied.

Historically income has gone to marina scheme operating account in effect reducing the management fee. Why change now? Income has gone to marina but so has expenses. Berths would be rented in the same way as all other berths. Fair & equitable.

It was resolved to accept the marina budget format as presented by the Treasurer & A McSweeney (separating the visitor pool from the marina accounts, calculating the management fee as the actual operating expenses of the marina scheme, & treating the Club, as marina owner of the unlicensed berths, as a normal license holder in respect to the visitor pool arrangements & annual fees) & that this recommendation be put before a special general meeting of members.

Proposed A McSweeney/Seconded D France: Carried

Abstain: P Hooper

It was resolved to endorse the breakdown refurbishment costs of the following assets:

Breakwater Club 10%, Marina 90%

Haul out launching ramp 10%, 90%

Car park, 10%, 90%

Marina Office Building 40%, Marina 60%

Any refurbishment or maintenance or replacement of structures that requires a contribution from both the Club & Marina, should be approved by the Club & Statutory Supervisor.

Proposed T Dalbeth-Hudson/Seconded J Murdoch: Carried

Abstain M Beauchamp

Under the new structure, wages will be accounted for & paid for by the appropriate cost centre i.e. club, marina or visitor pool.

It was noted that the Club's 10% of costs contribution is balanced by the 'management fee' at 10%.

Meeting closed 9.33pm