

TAYLOR MILL SWIM CLUB
GENERAL MEMBERSHIP MEETING MINUTES
MONDAY, SEPTEMBER 5, 2016
1:30 PM

BOARD MEMBERS PRESENT: R. Garner, D. McAfee, L. Schott, M. Giffen, T. Lehkamp, S. Ketterer, A. Beach, G. Wilkinson

R. Garner opened the meeting explaining to the membership the various issues throughout the 2016 swim season, stated that a few of the current Board members had recently resigned, including President, Bryan Allen, Vice-President, Jeff Witajewski, and Treasurer, Dave McAfee. He asked everyone to reach out to them and thank them for their time and service on the board.

R. Garner stated that he was running for President and gave his commitment to the members of the TMSC that he would do his best to get the swim club back to being the fun place to come and relax without all of the drama, and that he would see to it that all of the issues of this season were resolved.

Comments and conversations ensued amongst the members and board members.

MINUTES

The Minutes from the September, 2015 General Membership meeting were read by Secretary, L. Schott. A. Beach made a motion to approve the minutes as written, S. Ketterer seconded, and the motion was carried.

PROPOSAL OF AMENDMENTS TO BY-LAWS

R. Garner proposed some necessary changes in the TMSC By-laws;

Any TMSC checks written over \$500, would require the signatures of the President and Treasurer. Jeannie Rauch proposed that any checks written over \$400 should require both signatures. A discussion ensued amongst the members present. Carol Oherle requested that all checks be listed in the Finance Report. T. Lehkamp stated that not all checks (lower amount checks) need to be signed by both the President and Treasurer. He also pointed out that checks and balances is the key here. D. McAfee stated that there may be a timing issue with two people signing

checks. He suggested direct online payments. He stated that it is important that the President and Treasurer meet on a regular basis regarding this.

Chris Rogers stated that he is running for Treasurer and that he will be available to meet weekly. T. Lehkamp made a motion that any and all checks in the amount of \$400 or higher, must be signed by both the President and Treasurer, Jeannie Rauch seconded, and the motion was carried. (Article 4, Section 1 and Article 7, Section 2.

Marcy Driscoll pointed out that the By-laws state that at this point in time, we are only making a list of By-law changes, and that the changes must be posted or e-mailed for ten days and then another meeting must be scheduled with the general membership to accept the changes.

R. Garner discussed the issues with the dates and time being changed for this meeting that differ from the By-laws, and the emails that transpired over the course of the past ten days regarding this change. He stated that Article 8, Section 2 and Article 5, Section 3 of the By-laws state that “one annual membership meeting must be called on the final day of swim season”. He suggested that the language be changed to read, “on the final day of “regular” swim season”. (and no time of 7:00PM) R. Garner then asked if any member had any feedback, questions or comments.

Debby Kreimborg asked if there is a way that members can speak at Board meetings. Marcy Driscoll said that the By-laws state that a member wanting to speak at a Board meeting must submit their request in writing prior to the Board meeting. A discussion then ensued. Brent Giffen made a motion to allow e-mail requests to speak at a board meeting. R. Garner made a motion to change Article 8, Section 5, M. Giffen seconded, and the motion was carried.

Lynn Berk proposed that the TMSC pool manager and swim team manager receive all board minutes. D. McAfee stated that he thought the secretary was sending the minutes to these individuals. Marcy Driscoll stated that the pool manager and swim team manager did not get all the minutes because she was told certain information was confidential and was not to be sent outside the board such as salaries approved in a meeting, property being sold, etc. Lynn Berk then suggested that both managers be “Honorary” Board members.

R. Garner made a motion to change to Article 5, Section 1, so that the nominating committee would need 3 to 5 members so one person is not making all of the decisions, L. Schott seconded, and the motion was carried.

T. Lehkamp made a motion to change Article 8, Section 1, to “the Board will meet ten months in the year to allow for holidays, etc .”, M. Giffen seconded, and the motion was carried.

R. Garner again reiterated Bryan Allen, Jeff Witajewski and Dave McAfee’s hard work, dedication and service as Executive Board members, and asked that everyone reach out to thank them.

R. Garner also stated that Joe and Lynn Berk are great, honest people and are running for Membership Secretary. He also reiterated that he is running for President and welcomed feedback, criticism, etc.

R. Garner then asked D. McAfee to give the Finance Report.

FINANCIAL REPORT

D. McAfee stated that he was glad to see such a large turnout for this general membership meeting. He stated that the TMSC’s cost continues to increase, membership has decreased and members are still continuing to sell their bonds, and the TMSC has been in a cash deficit since 2006-07. He also stated that the TMSC is \$37K down due to pool issues. He said the Board did not want to raise membership dues and tried to keep the costs down by doing maintenance, etc. themselves and not outsourcing.

D. McAfee then addressed the lien issues on the TMSC property. He admitted that he failed to make a timely deposit and that the lien issue is from 2012 for not sending W-2’s to the IRS. He stated that he did not respond in a timely manner, and because of that, fees were abated. He also stated that the TMSC has hired Michael Cox, a tax attorney who previously worked for the IRS, to handle this situation on behalf of the TMSC. D. McAfee went on to say that none of this should have happened. He said that the IRS originally said that they did not receive the filed forms, but now they have them.

D. McAfee stated that the 2016 swim season is exiting the year with a \$40K deficit. He said the year was started with lower than normal memberships, and an expected deficit of \$10.5K and memberships are down this year. He also stated the TMSC has had large expenses such as the sound system, sewage and water, pool repairs, and salaries. He suggested that the new incoming Board refinance the current note since membership is down, and maintenance expenses are up, and this would give the TMSC the cash it needs for upcoming years. He stated that the terms of the current note are; 7 year note with a 4% interest rate. He stated the TMSC property is valued at \$1M, \$300K is still owed on the pool, and the current pool is now 17 years old. He again stated the opening and closing of the pool, repairs, etc. have been done internally by the Board to keep expenses down as much as possible.

D. McAfee went on to say that everyone joined the TMSC for the same reasons; to have a place to go and relax and socialize, and the Board has made the best decisions for the TMSC, and it is incumbent to work together for the TMSC. He also stated that the TMSC is the nicest pool in NKY, there has been NO mishandling of funds, and that he takes full responsibility for the missed payments that caused the lien issues. He said the focus needs to be on more productive conversations and to move forward. He commended those stepping up to be on the Board this next year. He then asked for comments or questions.

Debby Kreimborg asked how much was owed on the liens. D. McAfee replied \$14K and that is including penalties. Debbie Kreimborg commented that everyone hates the word "lien". Jeannie Rauch then asked who is Michael Cox. D. McAfee explained again who he is. D. McAfee also explained that \$7,700 was the amount of the penalty because he was four weeks late sending in a form.

Carrie Justice then asked if the \$750 being paid to Michael Cox was a flat fee and there would be nothing further owed to him. D. McAfee responded "yes".

D. McAfee reiterated that the taxes are paid, the lien is fines and penalties only. Jeff Herrema asked if there would be additional fees and/or fines. D. McAfee replied "not to his knowledge". D. McAfee stated that the club is paying the IRS

\$282/month toward the original lien since Mike Cox began helping us to show good faith on the part of the club.

Mike Driscoll asked if it is normal that payroll taxes are 30% of payroll. D. McAfee replied that the payroll taxes reflected on the Finance Report include both the taxes the employee pays as well as those the club pays. He was asked if the payroll reflected on the Finance Report is net pay and D. McAfee said yes.

Danny McNeal stated that moving forward it is his opinion that we need a professional accountant on payroll since we know mistakes have been made. D. McAfee replied that he is a professional accountant, and the TMSC does not have the money to hire an outside professional accountant.

Danny McNeal proposed that we do a membership drive where the new bond holder would get their first year free. Everyone replied "NO". D. McAfee stated the R. Garner has done an excellent job as Membership Secretary and that the TMSC will be in a deficit position the next few years and that the new Board needs to save money everywhere possible.

Jeannie Rauch asked why the state money line at the bottom of the Financial Statement was zero. D. McAfee stated that the state money had been depleted. Jeannie stated that TMSC made \$122K on the sale of land several years ago and wanted to know where that money went (what it was spent on). D. McAfee stated that \$40K of that money was paid towards the note and the remaining was spent by the board several years back and had been discussed before. Marcy Driscoll stated that the 70K state money was spent in 2013.

Marcy Driscoll asked D. McAfee to address and explain the adjustment line under receipts on the Financial Statement. He stated the club took out a revolver loan December, 2015 due to the higher expenses and the fact that membership was down and the TMSC did not have as much money coming in. D. McAfee also stated that TMSC borrowed \$21K in December to March 2016 and the revolver was paid off in March 2016. The purpose of that revolver loan was to get through the months of November through February when there is no money coming in to the TMSC. Marcy Driscoll then asked the new officers to read the IRS appeals.

Terrie Meister commended D. McAfee for his years of work, time and dedication to the TMSC as Treasurer, for admitting his mistakes, and said that everyone makes mistakes and that the members need to understand that this is not a paid position, and that the Board members have jobs, families, etc.

R. Garner then asked for a motion to accept the Finance Report. A. Beach made the motion, S. Ketterer seconded, and the motion was carried.

Ballots were then passed out.

After the ballots were counted the board composition is as follows:

Robert Garner, President

Dave Roberts, Vice President

Chris Rogers, Treasurer

Lynn Berk, Membership Secretary

Margie Giffen, Secretary

Members at Large: Anthony Beach, Mimi Ellinghausen, Scott Ketterer, Todd Lehkamp, Gordon Wilkinson, Kristie Chisenhall, Marcy Driscoll, Eric Justice, Mark Kreimborg, Lisa Luken, Terrie Meister, Jeannie Rauch, Janine Russell and Leslie Schott

The next TMSC General Membership Meeting will be held on Monday, September 4, 2017 at the TMSC. Time to be announced at a later date.