Orr's-Bailey Yacht Club
Board of Directors
Minutes
January 20, 2026
6:00 p.m. via Zoom

Directors Present: Allan Jarvis, Commodore; Dawn Kalmar, Secretary; Howard Levitan; Tara McCarthy; Lee McIlvaine; Chris Nichols; Tom Nicholson; Christine Patton; Janice Skillings-Goff; Phil Sumner

Directors Absent: Liz Incze; Andy Rusczek, Vice Commodore

Guests: Kristin Fletcher, David Hamilton, Treasurer

1. Call to Order

The meeting was called to order by Commodore Jarvis at 6:02pm.

A moment of silence was observed for Jean Appleby Johnson upon her tragic death.

2. Minutes

On a motion Skillings-Goff with a second by Nichols, the vote was unanimous of those present to approve the December 2025 minutes with the change noted from Fletcher made for accuracy.

3. Treasurer's Report

Hamilton reviewed the financial summary. The OBYC Operating Budget for 2025 shows a strong performance at year end with operating income exceeding expenses by $11,262. Our operating expenses versus budget are also positive at $1,338. These numbers are positive for several reasons. he positive income variance of $8,093 is due primarily to a strong performance from AFSS exceeding budget by $4,924 and Member Applications exceeding budget by $2,897. On the expense side, Cost of Goods Sold is below budget by $1,830, Operating Expense is below budget by $4,337 and Social Expense is below budget by $1,348. In summary, the Club continues to grow revenue through Member Applications and AFSS Tuition while maintaining good control over expenses.

On a motion Nicholson with a second by Sumner, the vote was unanimous of those present to approve the financial statements for December 2025, as presented.

4. Old Business

Finance Committee Recommendations

(a) Fletcher reviewed three recommendations from the Finance Committee. The vast majority of dues come in in Feb/March. There are Capital Accounts and an Operating Reserve Account that is used for anticipated expenses within the year. At the end of each

year, the finance Committee assesses the Operating Capital Account and recommends allocations to the Capital Reserve Account.

On a motion by Levitan with a second from Sumner the vote was unanimous of those present to approve the Finance Committees recommendation to transfer $15,000 from the Operating Reserve to the Capital Reserve Account immediately.

(b) On a motion by Nichols with a second from Skillings-Goff the vote was unanimous of those present to approve the Finance Committees recommendation to authorize the Treasurer to transfer funds on an ongoing basis between the Savings and Checking Accounts and the Vanguard Operating Account, which has been established to cover timing issues associated with regular Operating Expenditures and unanticipated Operating Expenses within-the-year. The Treasurer will maintain no more than two months of projected expenditures plus the cost of any approved imminent Capital Expenditures in the Checking Account. The remaining amount will be held in the Vanguard Operating Reserve, which is currently earning a decent return. The monthly budget will be used as a tool to project expenses.

(c) The Committee reconsidered and refined the Recommendations the Committee had made in November regarding Member Income as part of the Budget Recommendation. All agreed that there needs to be communication and education in advance to describe the need for an increase in Member Income, driven by the need to build Capital Reserves to support the significant Capital Projects being experienced and foreseen over the next 10-15 years, and to ensure the Sustainability of the Club. Further, the value of the amenities and services the Club provides should be emphasized.

A discussion ensued regarding the communication to Club members and education related to the financial assessment that made clear the need to bring in more income. The Board discussed delaying the fee until after the annual meeting and determined that the Finance Committee's assessment indicates that there is an immediate need to increase income. The Board agreed that a transparent communication to members sooner rather than later is appropriate and necessary. Jarvis will draft the communication

For 2026, the Finance Committee is proposing $300 Annual Member Dues (no change) and to impose a $100 Capital Reserve Fee for all regular members. The Capital Reserve Fee can be announced and billed later in the year, after the aforementioned communication and education. The Capital Reserve Fees, once received, will immediately be allocated to the Base Capital Reserve Account.

On a motion by Levitan with a second from Nichols the vote was unanimous of those present to approve the Finance Committees recommendation to assess a $100 Capital Reserve Fee for all regular members.

5. New Business

(a) Apparent Cybersecurity Incident

Jarvis communicated that an incident occurred that appears to have cost the Club money. The Club issued a check to a vendor. The check was never received and was cancelled. In order to secure the vendor's services, the Club sent an ACH transfer for a portion of the deposit. An apparent cyberincident occurred and the funds were apparently not received by the vendor. Hamilton, Fletcher and Sue Baker have been in touch with the issuing bank to report the incident. The Club closed the affected bank account and a new account was opened. A discussion ensued around the need to conduct an investigation into the cause to ensure the Club is protected. Jarvis asked Hamilton to take the lead on the investigation. Hamilton will contact the Sheriff's office to file a report and inquire about resources for the investigation. Rusczek and Lusk may also be good resources given their experience. The Board agreed to the urgency of an investigation, especially given the incoming annual dues.

(b) Volunteer Update

Jarvis has compiled the list of committee members. There are 154 volunteers, but many are counted multiple times because they serve on multiple committees – the same people are volunteering on multiple committees.

(c) Succession Planning

Jarvis shared a perspective on the volunteerism gap and proposed some potential solutions. He indicated that a more detailed conversation is planned in February.

Sumner reminded the Board of the volunteerism assessment he led last year and Patton reminded the Board of the work Bunny and Rich Siegel did on this topic years ago. McCarthy shared her perspective that there appears to be a lack of energy problem rather than a volunteerism problem. While the Social Committee has indicated there are enough volunteers, the gap in leadership has prevented doing more, and social events are where people become connected to and invested in the Club. Levitan raised the question about the Membership Committee and the role it could and should play in welcoming new members, setting expectations and encouraging active participation from the start. Nichols raised the question of succession for club leadership and how we identify and nominate candidates and the need to not wait until the annual meeting to address any leadership gaps. Kalmar shared her perspective that the discussion of volunteerism has been ongoing for years and multiple assessments have been done. She believes that we need to evaluate the data and determine what the club needs and what needs to be done to

address those needs. McIlvaine brought up the concept of mandatory volunteer hours and a penalty fee if those hours aren't met. Nichols suggested an assessment of club member capabilities. This was part of Sumner's evaluation last year.

6. Other Business & Next Meeting Date

The next regularly scheduled Board meeting is February 17, 2026 at 6:00 pm via Zoom.

On a motion by Kalmar with a second by Sumner, the meeting was adjourned at 7:58 p.m.

Respectfully submitted,

Dawn Kalmar, Secretary