

Inlet Watch Yacht Club, Inc.
2023 Annual Meeting Agenda
January 21, 2023

- Call to order / Certification of proxies
- Proof of notice of meeting
- Introductions
- Approval of 2022 Annual Meeting minutes
- Reports
 - 5-Yr. Planned Priority Budgeting
- Approval of 2023 Operating Budget
- Election of Directors
- Unfinished Business
- New Business
- Adjournment of Annual Meeting

Inlet Watch Yacht Club
2022 Annual Meeting Minutes
January 15, 2022

A meeting of the Inlet Watch Yacht Club equity owners was held on-line via virtual Zoom meeting on January 15, 2022. President Lee Oppegaard called the meeting to order at 10:00 a.m. Introductions of Board Members/General Manager are as follows: Lee Oppegaard (President), Joel Romig (Vice President/Secretary), Walt Conlogue (Treasurer), Greg Woodby, Brent Wright, Bob Bracco, the IWYC General Manager, Troy Moore, the IWYC Operations Manager, Dan Calhoun and the IWYC legal counsel, Don Evans. Board member Charles Miller was unable to attend.

The General Manager, Troy Moore, then provided introductions for each of the IWYC staff, including the Property Management Assistant, Michelle Mohr.

Lee Oppegaard then addressed the membership with the certification of quorum, being established in votes either in person or through certified proxy. The quorum present represented 267 votes. Notification of meeting was also established via mailed notice on December 23, 2021, with emailed notice being sent on December 17, 2021. Also, no items under new business were submitted prior to the annual meeting.

The minutes from the 2021 Annual Meeting was then reviewed. A motion was made to accept the minutes as written. The motion received a second and was then approved by a majority vote.

Reports

- The Treasurer's report was then given by the IWYC General Manager, Troy Moore.
 - Dues collection for 2021 year-end was approximately 97%.
 - Rental revenues for 2021 procured a total of \$1,611,282.00. This represented an all-time record for IWYC.
 - Total slip sales generated approximately \$3,027,750.00 during 2021. This was a 376% increase from 2020. It also was an all-time record for IWYC. Additionally, slip sale values increased as much as 64% during the past year.
 - Current account balances are as follows: Operating: \$40,840.00, Reserve: \$282,933.00.
- General Manager, Troy Moore, then gave his report of basic operations.
 - The past year represented the greatest year in IWYC's history for both slip rentals and sales.
 - Rental occupancy is currently 100% in long-term leased slips.
 - Regarding slip sales, 42 slips sold in 2021.
 - The recent surge in the boating industry allowed for IWYC's slip market to peak through strong relationships with all local boat dealers and boat brokers.
 - IWYC continued to support our bonds of slip sales and leasing with local residential communities such as River Lights, Helm's Port and Tidalwalk.
 - IWYC had its most successful Wilmington Boat Show during 2021 and even completed a slip sales contract while in attendance!
 - Our Operations Manager, Dan Calhoun, has done a fantastic job with creating new lead staffing positions. These positions allow the marina to benefit from additional competencies such as landscaping, carpentry and forklift maintenance oversight.
 - We continued to enjoy our partnership with IWEHOA on our joint landscaping projects.
 - The Fisherman's Post held its 2021 Inshore Challenge Tournament and its Trail Championship event at IWYC.
 - IWYC has continued its relationship with local Boy Scout Troops regarding service projects involving cooperation with multiple agencies with in the NC Department of Environmental Quality.
 - The Greater Wilmington Business Journal named IWYC as the #1 Largest Marina in the entire Cape Fear Region (approx.. 36 marinas included). This is the 13th year in a row that we've received this honor. Also, thanks to the IWYC membership, IWYC was once again named the ShorePicks Marina of the Year in 2021!
 - Thank should go to all members, the board or directors, the staff and their families for their efforts in making Inlet Watch such a success!

- The board of directors then presented their report along with a PowerPoint presentation. Items reviewed during the presentation are as follows:
 - Review of established goals from 2021. These goals included the following:
 - Continuation of 5-Year maintenance and budget plan
 - Completion of the Side Basin Bulkhead and Deck Project
 - Placement of long-term tenant: YachtSource
 - New Marina Forklift purchase
 - Finalization of the Hurricane Isaias claim
 - Project review for 2021:
 - Side Basin bulkhead, expanded deck and new electrical and water utilities
 - Front basin bulkhead repairs from Hurricane Isaias
 - Dry storage rust mitigation and galvanized I-beam replacement
 - Commercial Work Rack area creation
 - Floating dock repairs and renovations from Hurricane Isaias
 - New Work Rack deck and electrical and water utilities
 - Riprap Jetty/Granite Revetment – Phase II completion
 - Facility permit renewals: CAMA, Federal NPDES and NC Public Water Utility
 - Review of upcoming projects in 2022:
 - Dredging – targeted marina-wide
 - Side Basin aluminum ramp installation (Phase I)
 - Continuation of dry storage I-beam replacement
 - Stormwater control measure installation at side basin
 - Updated facility WiFi service
 - Water distribution system upgrade

The approval of the 2022 Operating Budget was then discussed. It was noted at this time that through the received proxies the current results are: 257 votes in favor and 0 against. A motion was made to accept the 2022 Operating Budget. After the motion received a second, there was a call for discussion. A question was asked about the amount of funds IWYC had in the reserve account. Troy responded that \$282,933.00 was currently in the reserve account. The motion to accept the 2022 Operating Budget was passed by a majority vote.

At this time the Board allowed those members running for the Board of Directors to address the membership. Two (2) positions were available on the ballot this year; those running were Lee Oppegaard and Joel Romig. A motion was made to accept the votes for the two (2) open board member positions. The motion received a second and passed with a majority vote. The results of board member voting were as follows: Lee Oppegaard with 255 votes and Joel Romig with 259 vote. Per the results, Lee Oppegaard and Joel Romig will fill the two (2) open positions on the board of directors.

Unfinished Business

It was announced that no “unfinished business” carried over from 2021’s annual meeting.

New Business

New business topics were discussed as follows:

- A member asked if IWYC’s engineer considered the use of fiberglass I-beams in the dry storage racks in lieu of steel I-beams. Troy commented that fiberglass I-beams had been considered previously and a provider had visited the marina; however, the installation of galvanized, steel I-beams were selected as the better choice for the application.
- It was questioned if a specific steel I-beam in “D-Rack” of dry storage was scheduled to be replaced? Troy and Dan spoke about the I-beam replacement schedule and noted that the replacement I-beam had already been received.

- A member introduced themselves as new to the Inlet Watch community and thanked the staff for their kindness and helpfulness during the past year, as they felt welcomed from day #1.
- A member asked if all ramps to wet slips on the north side of the Side Basin would be replaced in 2022? Troy discussed the nature of the Planned Priority Expense List and the order of importance for projects included on the list. The ramps in Phase I would be replaced according to their order of importance/need.
- A member asked a question concerning slip rental rates and if they were only annual or if IWYC also has a six-month lease rate? Troy described how each slip owner has the ability to make their own decision on a lease rate and lease term. As for IWYC's published rates, they are set on an annual term.
- A question was asked if the grass on the lawn adjacent to the waterway could be trimmed so that people sitting at the picnic tables could see the boats in the waterway? Troy discussed the purpose of the dunes and native, vegetative growth on the IWYC beach and how it protected the marina, as well as the Front Basin bulkhead from erosion and surge waters. It was noted that growth from invasive vegetation that threatened to damage dune-friendly vegetation would be removed where possible. Some of that work might potentially be completed through Boy Scout service projects with the assistance of the NC Division of Coastal Management.
- As a final comment, another member mentioned that he spent a lot of time at the marina and he greatly appreciated the work of all the staff to make IWYC a great marina.

A motion was made to adjourn the meeting at 10:59 a.m. The motion received a second and passed with a majority vote.

Respectfully submitted,

Troy S. Moore,
General Manager

INLET WATCH YACHT CLUB, INC.
2023 Operating Budget
 January through December 2023

	Jan - Dec 23
Ordinary Income/Expense	
Income	
Membership Dues	1,066,200.00
Capital Contribution	2,100.00
Credit Card Fee Collection	13,471.00
Interest Income	682.00
Rental Commissions	193,238.00
Rental Income	
Yacht Source Rental Income	92,724.00
ScarecrowBoat, LLC	13,440.00
Clubhouse	2,000.00
IWYC-Owned Slips	173,251.00
Total Rental Income	281,415.00
Slip Sales Commissions	70,350.00
Total Income	1,627,456.00
Gross Profit	1,627,456.00
Expense	
Membership Meeting	2,125.00
Credit Card Processing Fee	13,471.00
Boat Operation & Maint	200.00
Dues and Fees	9,927.00
Employee Training & Expense	1,031.00
Forklift	
2022 Toyota Forklift Lease	64,304.00
Forklift Fuel	36,331.00
Forklift Maint.	
Wiggins (2010)	28,646.00
Wiggins (2016)	40,065.00
ToyotaLift (2022)	23,492.00
Total Forklift Maint.	92,203.00
Total Forklift	192,838.00
Grounds Maint	56,653.00
Insurance	299,210.00
Legal & Professional	41,640.00
Licenses and Permits	1,150.00
Payroll Expenses	538,284.00
Payroll Taxes	55,880.00
Postage and Delivery	1,129.00
Printing and Reproduction	1,830.00
Slip Rental Commission	54,107.00
Slip Sales Commission	28,140.00
Supplies	4,721.00
Swimming Pool Maint	9,924.00
Taxes	13,496.00
Telephone, Website and WiFi	7,421.00
Trash Removal	8,228.00
Truck Operation & Maint	823.00
Uniforms	2,460.00
Uninsured Boat Repair	5,000.00
Utilities	
Sewage/Water	655.00
Gas and Electric	22,744.00
	22,744.00

INLET WATCH YACHT CLUB, INC.
2023 Operating Budget
 January through December 2023

	Jan - Dec 23
Total Utilities	23,399.00
Total Expense	1,373,087.00
Net Ordinary Income	254,369.00
Other Income/Expense	
Other Expense	
Planned Priority Expense	
Aluminum Floating Dock Ramps	13,127.00
Dredging	159,377.00
Dry Storage Maintenance	14,100.00
Dry Storage Paving Repairs	26,276.00
Side Basin Bulkhead Repair	37,500.00
Stormwater Control Measures	2,829.00
Water System Backflow Preventer	1,160.00
Total Planned Priority Expense	254,369.00
Total Other Expense	254,369.00
Net Other Income	-254,369.00
Net Income	0.00

INLET WATCH YACHT CLUB, INC.
Profit & Loss Budget vs. Actual
 January through December 2022

	<u>Jan - Dec 22</u>	<u>Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense			
Income			
2021 Special Assessment	34,509.00		
2020 Special Assessment	2,650.00		
Inlet Watch Apparel Sales	2,267.00		
Membership License Sales	94,000.00		
Membership Dues	924,699.64	934,212.00	99.0%
Capital Contribution	3,600.00	2,250.00	160.0%
Credit Card Fee Collection	10,466.17	10,419.00	100.5%
Interest Income	1,018.68	1,231.00	82.8%
Rental Commissions	189,701.13	172,679.00	109.9%
Rental Income	282,756.85	259,128.00	109.1%
Slip Sales Commissions	111,444.00	79,110.00	140.9%
Total Income	<u>1,657,112.47</u>	<u>1,459,029.00</u>	<u>113.6%</u>
Cost of Goods Sold			
Purchases - Apparel	2,790.36		
Total COGS	<u>2,790.36</u>		
Gross Profit	<u>1,654,322.11</u>	<u>1,459,029.00</u>	<u>113.4%</u>
Expense			
Membership Meeting	1,033.27	1,185.00	87.2%
Credit Card Processing Fee	14,528.53	10,419.00	139.4%
Boat Operation & Maint	0.00	200.00	0.0%
Dues and Fees	4,538.01	3,342.00	135.8%
Employee Training & Expense	4,364.94	1,676.00	260.4%
Forklift	196,435.68	173,427.00	113.3%
Grounds Maint	61,420.81	56,637.00	108.4%
Insurance	295,083.89	244,491.00	120.7%
Interest Expense	0.00	8,185.00	0.0%
Legal & Professional	34,905.27	33,340.00	104.7%
Licenses and Permits	868.60	1,325.00	65.6%
Miscellaneous	0.00		
Payroll Expenses	425,206.55	478,930.00	88.8%
Payroll Taxes	41,552.03	44,061.00	94.3%
Postage and Delivery	813.88	986.00	82.5%
Printing and Reproduction	136.00	1,739.00	7.8%
Slip Rental Commission	48,760.96	46,152.00	105.7%
Slip Sales Commission	43,856.00	31,644.00	138.6%
Supplies	5,041.76	5,587.00	90.2%
Swimming Pool Maint	10,820.64	10,238.00	105.7%
Taxes	13,300.25	12,993.00	102.4%
Telephone, Website and WiFi	5,886.32	6,114.00	96.3%
Trash Removal	7,163.83	6,077.00	117.9%
Truck Operation & Maint	1,460.16	1,289.00	113.3%
Uniforms	1,948.26	2,900.00	67.2%
Uninsured Boat Repair	19,376.13	5,000.00	387.5%
Utilities	22,638.61	19,522.00	116.0%
Total Expense	<u>1,261,140.38</u>	<u>1,207,459.00</u>	<u>104.4%</u>
Net Ordinary Income	393,181.73	251,570.00	156.3%
Other Income/Expense			
Other Income			

INLET WATCH YACHT CLUB, INC.
Profit & Loss Budget vs. Actual
 January through December 2022

	<u>Jan - Dec 22</u>	<u>Budget</u>	<u>% of Budget</u>
2022 Property Tax Reimbursement	-28,385.11		
2021 Property Tax Reimbursement	15,845.91		
2020 Property Tax Reimbursement	1,917.30		
2019 Property Tax Reimbursement	831.00		
Insurance Proceeds - Isais	58,132.00		
Other Income	517.52		
Total Other Income	48,858.62		
Other Expense			
Hurricane Ian Expense	29,645.96		
Square Bank Fee	12.59		
Hurricane Florence Expense	0.00		
Asset Purchases	115,000.00		
Planned Priority Expense	123,092.51	250,070.00	49.2%
Other Expense	1,079.64		
Total Other Expense	268,830.70	250,070.00	107.5%
Net Other Income	-219,972.08	-250,070.00	88.0%
Net Income	<u>173,209.65</u>	<u>1,500.00</u>	<u>11,547.3%</u>

INLET WATCH YACHT CLUB, INC.
Profit & Loss Budget vs. Actual
 January through December 2021

	<u>Jan - Dec 21</u>	<u>Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense			
Income			
2021 Special Assessment	18,463.13		
2020 Special Assessment	40,035.43		
Inlet Watch Apparel Sales	3,400.02		
Membership License Sales	78,050.00		
Membership Dues	899,658.95	894,240.00	100.6%
Capital Contribution	7,500.00	2,100.00	357.1%
Credit Card Fee Collection	10,996.79	6,859.00	160.3%
Interest Income	1,056.55	1,549.00	68.2%
Rental Commissions	169,394.43	148,578.00	114.0%
Rental Income	170,484.93	133,782.00	127.4%
Slip Sales Commissions	140,246.50	46,110.00	304.2%
Forklift Income	642.75		
Total Income	<u>1,539,929.48</u>	<u>1,233,218.00</u>	<u>124.9%</u>
Cost of Goods Sold			
Inventory Adjustment	1,904.41		
Purchases - Apparel	2,964.46		
Total COGS	<u>4,868.87</u>		
Gross Profit	<u>1,535,060.61</u>	<u>1,233,218.00</u>	<u>124.5%</u>
Expense			
Federal Filing Fees	83.00		
Holding	-40.00		
Depreciation expense	127,080.14		
Membership Meeting	830.43	1,185.00	70.1%
Credit Card Processing Fee	12,997.71	6,859.00	189.5%
Boat Operation & Maint	673.48	200.00	336.7%
Dues and Fees	4,967.21	3,183.00	156.1%
Employee Training & Expense	5,838.68	1,250.00	467.1%
Forklift	202,256.14	163,115.00	124.0%
Grounds Maint	56,745.02	52,483.00	108.1%
Insurance	272,265.05	211,601.00	128.7%
Interest Expense	786.43	2,040.00	38.6%
Legal & Professional	41,725.71	33,182.00	125.7%
Licenses and Permits	983.00	1,250.00	78.6%
Miscellaneous	-1.00		
Payroll Expenses	399,772.53	376,525.00	106.2%
Payroll Taxes	39,171.35	34,640.00	113.1%
Postage and Delivery	1,260.40	1,332.00	94.6%
Printing and Reproduction	2,462.25	1,740.00	141.5%
Slip Rental Commission	42,229.77	43,864.00	96.3%
Slip Sales Commission	55,259.00	18,444.00	299.6%
Supplies	9,762.28	4,967.00	196.5%
Swimming Pool Maint	9,201.63	7,937.00	115.9%
Taxes	19,018.20	11,607.00	163.9%
Telephone, Website and WiFi	5,509.51	3,954.00	139.3%
Trash Removal	6,953.30	7,873.00	88.3%
Truck Operation & Maint	2,552.95	966.00	264.3%
Uniforms	2,765.38	2,900.00	95.4%
Uninsured Boat Repair	22,341.01	2,900.00	770.4%
Utilities	18,751.96	17,334.00	108.2%

INLET WATCH YACHT CLUB, INC.
Profit & Loss Budget vs. Actual
 January through December 2021

	<u>Jan - Dec 21</u>	<u>Budget</u>	<u>% of Budget</u>
Total Expense	1,364,202.52	1,013,331.00	134.6%
Net Ordinary Income	170,858.09	219,887.00	77.7%
Other Income/Expense			
Other Income			
2021 Property Tax Reimbursement	-19,999.91		
2020 Property Tax Reimbursement	19,115.45		
2019 Property Tax Reimbursement	3,444.25		
2018 Property Tax Reimbursement	3.75		
Insurance Proceeds - Isais	31,779.40		
Insurance Proceeds - Florence	162,893.04		
Other Income	494.98		
Total Other Income	197,730.96		
Other Expense			
Square Bank Fee	8.80		
Hurricane Isaias Expense	4,215.50		
Hurricane Florence Expense	334,853.00		
Planned Priority Expense	125,559.88	219,887.00	57.1%
Other Expense	96.51		
Total Other Expense	464,733.69	219,887.00	211.4%
Net Other Income	-267,002.73	-219,887.00	121.4%
Net Income	<u><u>-96,144.64</u></u>	<u><u>0.00</u></u>	<u><u>100.0%</u></u>