

Annual Meeting of the Little Falls Swim Club
January 25, 2017
Meeting Minutes

- I. Approval of minutes from 2016 annual meeting.
Approved. A member noted that next year the board should have enough copies for everyone. Craig Piercy, President, acknowledged and agreed.

- II. President's report.
Craig Piercy reported that we are well on way re: pool renovation and on target for Memorial Day opening. We've accelerated the construction, which increased the cost a bit, but we remain right on budget due to savings in other areas. We are in the final stages of closing on the loan. We have a process in place to begin to define the scope of work for the bath house and are taking bids on that. Overall the state of the pool is strong.

Craig invited questions from members.

When do you expect financial statements? We decided to go with an outside accounting firm for a small audit of our finances – they were striving to have it by tonight but it's not yet ready so we will post it on the website and share with our audit committee, chaired by Jon Slabaugh.

What are the conditions of the loan? Craig invited board member Cathy Stocker to respond and describe the status of the renovation and financing in more detail.

- III. Pool Renovation
Cathy Stocker described status of renovation and financing. We have secured a 15-year fixed loan 4.95% interest rate. It's a competitive base on receiving multiple bids. There is no penalty for paying off the loan early. The annual obligation depends on how much we end up borrowing: We are on budget and may not have to use the contingency \$ unless we decide to based on the bids we get back on the bath house. We may end up borrowing less than \$1million. Overall it's a good term sheet and package.

As for the renovation, we did run into some permitting challenges which were not entirely unexpected – the county did its job in protecting the environment around the pool but it went slower than we would have liked. One of the reasons we went with NVBlu as the pool renovation contractor is that they have their own equipment and staff and could be flexible and ready to roll in as soon as we had the permits in hand. That enabled us to get moving quickly and we also paid extra in overtime –

their initial bid came in low so we paid \$50k in overtime to ensure that the shells were in well before snow and ice season.

We have our landscaping bids in and the plans are not complicated because 90% of the plan is dictated by the county re: forest preservation. We didn't have to pay a lot of money for someone to come in and design something for us. We are mostly just implementing the plan, which includes addressing invasive plants. All the bids that came in are in the range that we predicted.

Linda Norman, Claire Slabaugh, Chuck Montrie are all part of a committee investigating a more complete renovation of the bath house. We are hoping to have the same number of toilets and shower heads, just a new layout and rejiggering toilet and shower stalls to be ADA compliant, adding more cubbies and installing nicer sinks and fixtures, new tile – a refresh. Electrical will now be to code. The biggest difference from existing bath house would be a new family bathroom under the eaves of the pool house near the pump room – the area towards Baltimore Ave. We need a place where someone can go with kids or someone in a wheel chair.

We are also adding a concessions area along the team and concessions closets. We will remove the divider wall between the two closets and create one big concessions space with a serving window so we don't need to haul food out and back. Easier to serve food and drink right off of the deck area and proximate to seating.

An RFP just went out and we have six contractors who have expressed interest in doing the job. NVBlu is bidding as well – the crews are already there, which would enable us to manage just one contract. But there may be better and lower bids. Once we know what that number looks like we may need to compromise on certain things like tile and finishes. That's the only number outstanding and it's all discretionary. We've had no nasty surprises – no meteors or excessive water. The contractors have been extremely responsive and their crews are lovely people.

Craig added that now that we've been through this process he can share that the board were very stressed over the permitting. It's great that we were able to work with the planning department personnel to get permit ready. Part of that is because we had a lot of support from the community and no real opposition. Cathy noted that ultimately the board saw that our interests were aligned and that the pool sincerely cares about preserving the environment.

A member expressed praise for how adept and efficient the renovation process has been, singling out board members Cathy Stocker and Greg

Wang for their hard work and competence. Another member said he walked by the pool to see the process and was blown away – it looks amazing.

Craig invited questions from members on the renovation process and planning.

Q: Problems in past with flooding?

A: All that is new – being entirely replaced so shouldn't be a problem.

Q: What is this going to cost because thought we weren't going to spend a lot of money on the pool house.

A: Around \$250k.

Q: Is this more than what was represented in past meetings?

A: We had originally considered and rejected a new bath house. We thought this was a good compromise to keep existing shell but to update it. Some of it we had to do to get it up to code. All of it can hopefully be done within existing budget. The whole project stayed below the estimated cost but we had such a great bid and efficiency with NVBlu we were able to do more with the same budget than the members approved.

Q: Will there be any grassy sitting area or all concrete?

A: We had to shrink the area a bit and had to remove planned decking so we retained a fair amount of grass.

Q: What about access to the tennis courts during the renovation– it's very difficult. Is there any way to accommodate?

A: Current access is via the alley. The rest is fenced off for safety and tree preservation purposes; members will have to make accommodations.

IV. Treasurer's Report

V. Greg Wang shared that we have a detailed financial review by the firm of Osterman, Pollack, and Moses. As soon as it's ready we will share it with membership. For FY15-16, against a budget of \$250,900 we came in at \$210,091; with \$943,593 in bank at year-end.

Looking forward we need to talk to Chuck at Bethesda Acquatics about management. We have more electrical demands but the new pumps will be more efficient so hard to know how that will play out.

\$943,500 in bank at year end.

Switching from propane to natural gas, which will help. So grills will have hard lined gas access - more efficient and safer.

Q: Regarding transition from a member/bookkeeper to a firm – what is the cost?

A: The cost is about the same. Carol Schaengold did a lot in the last two years to create a system that was more efficient and worked with the new firm during the transition (who also does Bannockburn's). We actually ended up bringing the cost down a bit.

Q: What was cost of audit? Seems high for size of organization.

A: \$5k. It's more than just an audit – it's a game plan for moving forward. We thought it prudent to take the audit out of volunteer hands and put a legal foot on it rather than have a shareholder lead the effort.

V. Swim and Dive Teams – Claire Slabaugh (swim) and Nancy La Vigne (dive) shared that both teams had a great season and we are in the process of lining up coaching staff for the summer. Will be interesting with new pool and logistics. Team gets bigger every year. We are seeking new parent to serve as Dive Team Rep.

VI. Membership – Kristin McNavage shared that there was a big turnover in membership last year. The numbers are in the president's letter. Will have some spaces that we will need to fill with full members, but not too many. Biggest change for us is the new bookkeeping firm, which will help to streamline collections. We spend far too much time chasing people down so are going to be more rigid about enforcing late fees and membership terminations. This is different from people having financial hardship – we will continue to make accommodations as needed – it's more that some people don't respond at all, which is a problem and imposes a tremendous burden on volunteer board members. John Crupi added that 100% of member data is in MemberSplash at this point. The Directory is available online but we should also print one out and have it at the pool desk. Everyone should be able to manage their account and pay online.

Q: What's the status of waitlist?

A: We took about 85 spots off the list but it's still long – 277 as of last Monday. The average wait time has declined: two years ago people were on for nine years. This year there were some who were "only" on for six years.

Q: What's the distinction between the two categories of "emeritus" memberships?

A: Very early on we offered a fixed price emeritus pass as a pilot. Then all those who came after that paid "market rate", designed to be like the Senior Limited Use Guest Pass but you got your equity back and relinquished voting rights. The first couple of years of the program - those early adopters – were grandfathered in at a lower fixed price. With MemberSplash we were able to see very low pool usage among emeritus members – speaks to the purpose, which is to maintain a social connection as a part of the community without the burden of the assessment.

Q: Member asked "How many of each"? Didn't have that info on hand but will get back in touch (Nancy Pindus was member asking).

Q: Member Campbell Graueb offered tennis court plans that he designed and were approved in 1973. He then questioned whether dues are different for those over 70 years of age.

A: Discussions in answer to this question revealed an error in the president's letter, which should read that dues are \$700 plus \$75 fee and it is refunded to those who participate in one of two handyman days and waived for members over the age of 70.

VII. Nominating Committee for 2017 – exiting pool board member Nancy La Vigne has agreed to chair the nominating committee.

VIII. Results of 2017 Board Election:

Meredith Hammond
Brian Herberger
Tony Higgins
Kristin McNavage
Steve Volkers

Continuing board members

Claire Slabaugh
Joe Callicott
Craig Piercy
John Crupi
Matthew Babcock

Craig thanked exiting board members: Cathy Stocker and Greg Wang driving the renovation process so skillfully; Bob Scribner, who served as board president during a challenging time; and Nancy LaVigne, who served as board secretary and swim and dive team liaison for the past four years.

IX. Adjournment – the meeting adjourned at 8:31pm.