

Germantown Athletic Club Advisory Commission
Minutes
Tuesday – November 3, 2009

Members Present: Chairman Stephen Wilensky, Alderman Ernest Chism, Mr. Rob Ayerst, Ms. Dee Dee Dunehew, Mr. Clint Hardin, Mr. Paul Mosteller, Mr. Garth Thompson and Mr. Larry Williams

Members Absent: Ms. Laura Jaggar, Ms. Teresa Rando and Mr. Walker Uhlhorn

City Staff Present: Mr. Patrick Lawton, Ms. Danelle Toole, Ms. Scarlet Jones and Ms. Debbie Powers

Call to Order

Chairman Stephen Wilensky called the November 3, 2009 meeting to order. The meeting was held in the Blue Room at the Development office.

Approval of the Minutes

Chairman Stephen Wilensky asked for a motion to approve the minutes, motioned by Mr. Clint Hardin and seconded by Mr. Paul Mosteller.

GERMANTOWN ROAD ENTRANCE CLOSING

Danelle updated the closing of the Great Hall doors. Back in June there was a discussion on closing the Germantown entrance doors to the Athletic club, and there was a motion to delay until review. Then at the August meeting Mr. Mosteller asked for a motion to extend the current policy on the Germantown Rd. Entrance doors until November 1st at which time they could revisit. The Club is recommending that the commission agree to close the doors beginning January 1, 2010 after construction has been completed, and the beginning of the New Year.

Mr. Thompson asked if the current policy with the doors has presented any problems for the Great Hall.

Mr. Hardin responded we can't close those doors now because we need to be ADA accessible during construction.

Mr. Thompson asked in general has it presented a problem for the members to use those doors.

Danelle stated not that she knew of, but those complaints would be directed toward Diana.

Mr. Lawton stated he wouldn't call them complaints but that since the beginning there have been concerns from people who rent the Great Hall for events about people in tuxedo's rubbing shoulder with sweaty workout people. Mr. Lawton added that as Alderman Chism had mentioned earlier, the taskforce and the work they are doing to make the Great Hall a success. He said that we should expect the taskforce to come to us and say in order to make this a dedicated banquet facility, we need to close that entrance to Athletic Club members.

Alderman Chism stated he never ceases to be amazed at the volunteers on that taskforce, who think outside of the box all of the time. The Great Hall is going to be successful.

Mr. Ayerst stated he has noticed the Great Hall people using our Athletic Club entrance and wonders what is going to be the policy in the future for the Great Hall guests using our facility. He has noticed we don't always separate the addresses. If you use the 1801 Exeter address, to the Great Hall in the GPS system, it's our address, not the Great Hall.

Danelle added there are 2 separate addresses for the facility, 1801 Exeter for the Athletic Club and 1900 S. Germantown Rd for the Great Hall. She has not had a chance to talk to anyone on the taskforce, but she plans to get with everyone and discuss the logistics of the parking issue and the Great Hall guests walking through our facility. She feels in one sense it is an advantage for us to get that opportunity to let them see the facility and possibly sell items from our concession area. These are all logistics that will need to be addressed.

Alderman Chism stated that he thinks probably the commission is aware of every problem that has been brought up; but do we have a solution to it, not yet.

Chairman Wilensky asked if there is a motion Danelle wants from the commission tonight. Are you asking for a motion to approve to close the Germantown door entrance effective January 1st?

Mr. Hardin said he thought it would be more of a recommendation since it is the Great Hall door.

Alderman Chism said we are not saying my door your door.

Mr. Hardin added that is the Great Hall area over there and he just believes we can recommend it be open, but we can't say when it will be opened and closed.

Alderman Chism responded we are as excited about getting the doors closed as he is, because of the nice parties at the Great Hall and the people coming and going.

Mr. Ayerst added that we have a policy in effect now that will keep people from coming in on the weekends.

Ms. Dunehew agreed with Mr. Ayerst, and she thought we had solved that problem too. If there is a party on Thursday night or different that it shouldn't be a problem to put up an early notice to say please don't use this entrance on that night that we have an event.

Chairman Wilensky added that there are 2 issues to be considered; the operational issue and the financial issue of staffing that door that is not in our budget now. Now, that we have been separated, our charge as a commission is to represent the members who use the Athletic Club. We are not aware of any of these proposals and nor do we know if there are any funds available to support this investment to make the Great Hall a truly functional successful facility. He thinks our vote takes a more narrow view of what's in the best interest of the Athletic Club members. He has used both doors, but if you ask him, for convenience at certain hours, we can take a vote and see.

Mr. Ayerst said he believes for standard procedures we should leave it open through construction, and, until we get a report from the taskforce team, he believes we should defer making a permanent decision to close the door.

Mr. Thompson agreed he did not see the need to close that door completely to the members. At times of highest rentals he agrees that the doors should be closed. But he uses that door frequently and he is yet to see a single person/ guest in party clothes at the Great hall. But at times of our highest rentals we are closing it off now. But our charge here is to represent the Athletic Club members, not the Great Hall.

Ms. Dunehew agreed.

Mr. Mosteller added that the accommodations we have in effect now appears to be working well. If there is an event we have the notifications through email and signs, we can notify the members in advance that those doors are closed due to an event. He thinks we should try to keep the doors open until we see how everything is going to work out.

Mr. Lawton stated and not to speak for Alderman Chism that we need to keep in mind what he is hearing from the taskforce is a recommendation that the door be closed to the Athletic Club members. It is a separate fund and we have to break this tie. He feels fairly certain the taskforce is going to recommend closing that door.

Mr. Williams asked if we have to close it, why we don't just close it now.

Mr. Hardin and other members reminded him that we can't because of the required ADA access to the club during construction.

Danelle reminded the commission of the financial cost of keeping that door open as far as staffing and utilities and other expenses. There is about a \$56,000.00 savings in closing that entrance. We are currently about \$12,000.00 over in expenses now.

Mrs. Dunehew asked what would happen to the staff that is working at that door now.

Danelle responded that they will be relocated to other areas of the club, to replace positions that have been eliminated.

Mrs. Dunehew commented that we have not completely eliminated those positions, so the staff will be just working in other parts of the club.

Chairman Wilensky added that you have to lower your F T E's (full time equivalence) to realize a savings. He asked if there was a motion on the floor.

Mr. Mosteller asked for a motion to postpone a vote to close January 1, and maintain the current status on the Great Hall side doors until we have a better understanding from the taskforce recommendation for the Great Hall.

Alderman Chism asked what was being asked to be closed. Chairman Wilensky stated we are making a motion to postpone closing the Great Hall doors.

Mr. Lawton asked to repeat the motion for everyone to hear.

Chairman Wilensky: The motion is to keep the situation as it is today until we have more information that we do not have now from the taskforce on their recommendations and the City's support and plans of what their recommendation may be. Either way it is going to take funds and investments and the City must make choices such as either to create a more viable Great Hall or invest and meet the growing needs of the Athletic Club.

Alderman Chism added that he doesn't want it to come as a great surprise that the people on the taskforce have been doing business for years, they are very smart and creative and there is nothing they have suggested yet, that will not cost money. In all fairness if the Great Hall is going to be successful, we will have to spend some money to make it comparable to other facilities in the City of Germantown. We are going to have to spend a little money just like we spent money on the Athletic Club the last year and a half, though he doesn't think it will cost as much money as that. He believes they have some great ideas.

Mr. Wilensky stated we are in a volunteer advisory commission representing the Athletic Club and in that capacity with the question before us, is it clear now for a vote. He asked did everyone want to take a vote to keep things as they are. The commission voted unanimously to keep things as they are today.

Club Reports

Scarlet gave a marketing update of the events in the facility and the fall membership drive which brought in 133 new memberships and of those 50 were member referrals. Scarlet also discussed the Club had sent out its first e-motion news letter through Emma and this will be updated monthly.

Mr. Hardin commented that the Silver Sneakers members were not getting the emails from the Club; and he and Danelle had discussed that their memberships average about \$2500.00 a month income for the Club.

Scarlet responded that because their information is not in the Check Free system with regular members, we are unable to send them emails. Scarlet agreed that we need to have the Silver Sneaker member information in the Check Free system.

Danelle added that Teresa Martin, our liaison with the Silver Sneaker's program is working on a spread sheet. Teresa keeps up with Silver Sneakers quarterly. We try to keep records, but with that she doesn't know if we can download or export an excel spreadsheet to use on Emma for the Silver Sneakers members. Scarlet added if we get a list she will be able to work with that.

Scarlet also mentioned upcoming events at the Club. For example, on November 15th the Club is hosting the Gobble Wobble 5k benefiting Baptist Rehab in Germantown. We have many sponsors working with us on this event and over 100 participants have already signed up toward our goal of 200-250 participants.

Danelle explained the FY09 and FY10 expense and revenue report she handed out.

Mr. Ayerst asked why our September expenses were so much higher this year compared to last year.

Danelle explained we had a lot of construction and renovation expenses this year along with trying to maintain the outdoor locker rooms longer, due to construction.

Chairman Wilensky added that the revenue was higher and maintaining. He asked if this report could be emailed possibly a few days before the next meeting.

Danelle explained that she would send it, but she has to wait on them to close the months out in Finance.

Age for Senior Rate

Danelle has had a request to lower the senior rate to age 55. Danelle has been working with Ralph Gabb in finance and his budget projection loss for the proposed change is approximately \$103,000.00 and effecting over 1000 individuals.

Danelle has also looked at other clubs reports and they do not offer senior rates. The only other club (Jewish Community Centre) that offers a senior rate is different however. Their senior age rate starts at 70 and it is more expensive than the single age rate. Compared to our competition, we are the one facility that provides a senior rate.

Danelle is recommending the commission to keep the age limit for the senior rate at 62.

Mr. Thompson said that seems to be the acceptable position to take for a facility that is trying to come out from behind.

Mr. Hardin agreed, there is no reason to lower the senior rate.

Mr. Mosteller and others suggested the Club raise it to age 65.

Mr. Mosteller made a motion to raise the senior rate from age 62 to age 65.

Mr. Lawton made a suggestion that the Commission think about revisiting the rates again; it will be a year soon since the last rate change. This is something that needs to be revisited every year and maybe at that time we could address the senior rate change to age 65. Look at it on an annual basis and tweak it then.

Mr. Ayerst made a motion to maintain the senior rate at age 62 at this time.

Chairman Wilensky took a vote of the motion on the floor to maintain the senior rate age of 62. Motion was seconded by Mr. Hardin and all approved.

Mr. Mosteller asked about the Kids Klub area, reminding us that back in September we looked at space for the Kid's Klub. But he has to ask is overcrowding in the Kids area due to regular members or is it over utilized due to discount swimming memberships we offer in the summer. He would like for a study to determine utilization of the Kid's Klub by members who join during the summer and the use of the Kid's Klub. Are we throwing ourselves in a crisis mode by selling summer memberships too cheaply?

Chairman Wilensky added it might be helpful when this fiscal year ends June 30th if next month if staff could present a group capital budget for this Fiscal Year, so we know the balance of the funds. Was there anything budgeted for Kid's Klub? He realizes there are capital expenses that weren't expected. He would like to see a breakdown of the capital budget items, what has been purchased already and what is in progress.

Mr. Lawton and Danelle agreed there was nothing budgeted for Kid's Klub this year.

Mr. Mosteller asked if we could do a correlation of the new memberships in the summer and revenue generated and the cost of the Kid's Klub expenses. Do we need to re- think our policy? It could be we need to raise the summer time rates for the people who just use the club in the summer.

Ms. Dunehew asked if we could just sell pool memberships, or would we be putting our members at a disadvantage by not being able to access the pool.

Danelle stated her concern with that if we start putting value on certain parts of the facility, then we will have people that will say I only use the track, or I only use the indoor pool so can I get a discount? We can definitely discuss that, as far as the Kid's Klub we can look at our utilization of the Kid's Klub around the holidays, spring break when school is out and the summer months.

Mr. Thompson asked about the concerns of putting value on parts of the facility. Have we thought about making a policy if you are either a member or you're not a member? If you're a member you get to use the pool. No seasonal members would be allowed.

Mr. Hardin said that's what we have now.

Mr. Mosteller added that is what he is hoping to get a gleam from next month with the correlation of the summer time memberships. Then most people will look at a full time membership that will allow us to hire more full time employees for the Kid's Klub.

Scarlet asked if they were implying there would not be a month- to- month memberships.

Mr. Mosteller asked Scarlet to wait and see the facts he gets and see what the impact will be.

Mr. Thompson added we need to look at the influx of the summer time memberships, and are we getting the value for the dollar. Or are they creating more of a problem than their brief period of membership revenue.

Chairman Wilensky stated it is always helpful to know what the other clubs do in the summer months with pools. For a full view how does it compare?

Mr. Ayerst asked about the opening of the locker rooms.

Danelle responded we would send out emails, possibly serve refreshments and employees on staff that day will explain how to use the new digital locks.

Chairman Wilensky asked about the posting for a business manager for Danelle and the change of position.

Mr. Lawton said that anytime an employee leaves the City, there is a step to look at that position and see what has changed. We took it a step further and talked to Danelle and our class of comps person to see what Danelle needs in that person. When it came down to it, Danelle decided she needed a financial and business person to work with our Finance Dept. to work on the budget and analyze trends.

Danelle added that her strengths were not in the finance area, she is more of hands on person for the facility. She feels she needs someone to compliment her by working with the Finance Dept. and handling that area.

Adjournment

Meeting adjourned.