

**Germantown Athletic Club Advisory Commission  
Minutes  
Tuesday – October 6, 2009**

**Members Present:** Chairman Stephen Wilensky, Mr. Rob Ayerst, Ms. Dee Dee Dunehew, Mr. Clint Hardin, Ms. Laura Jaggar, Mr. Paul Mosteller, Ms. Teresa Rando, Mr. Garth Thompson, and Mr. Larry Williams

**Members Absent:** Alderman Ernest Chism and Mr. Walker Uhlhorn

**City Staff Present:** Mr. Derek Chaput, Ms. Danelle Toole, Ms. Scarlet Jones and Ms. Debbie Powers

**Call to Order**

Chairman Stephen Wilensky called the October 6, 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. Garth Thompson with the corrections to the minutes requested by Mr. Mosteller on page 3 where Mr. Mosteller offered “Derek a public grace” to a “public praise” and correction on page 3 where Mr. Mosteller added that “Derek’s been playing catch with catch hands” to “Derek’s been playing catch as catch can”.

Chairman Wilensky took a minute to discuss Derek's decision to leave the City effective October 16, and thanked him for his hard work on behalf of the Commission. He shared a picture of the RDV Sports Complex Derek would be working for and said he didn't think he would have gotten that job if it hadn't been for this job. Chairman Wilensky said the place he walked into 2 years ago is not the same place you walk into today. He thanked Derek for his work and the work his team and the Commission members who share in the success of the Germantown Athletic Club. Chairman Wilensky added that Danelle Toole will be succeeding him in his role, and they are excited for her and looking forward to a smooth transition.

Danelle commented that it is a bitter sweet for us. She and Derek have worked very well together and he will definitely be missed. Danelle said she will continue to work to make this place a self-sufficient facility providing services to our membership. She and the staff are happy for Derek and his family.

### **KIDS KLUB SPACE**

Danelle spoke on the Kid's Klub space and reported that Derek has been in touch with a company called Think Well that does research work and design. Derek has hired them to work with us in the Kid's area setting up a focus group with members and working with staff on the needs for the Kid's Klub. Think Well has begun their initial research with Emma Morgan and other staff in the Kid's Klub area and Danelle is expecting a proposal back from them sometime around mid November.

Derek added that it was a very good meeting. The initial research will cost approximately \$400 to setup what it is that we are going to need from the focus groups. The focus groups will be looking at children under 6 years and attracting children 6 -12 years of age. They will focus on changes we can make to improve this area. Derek commented after our last meeting, he had back tracked and decided before we make changes that we needed to have focus groups to see what our members want in this area. Our numbers are fine for children under 6, but for the older group we really don't have anything in place to keep them involved in the facility, addressing this would solve some of the problem of kids wondering the halls unsupervised.

Danelle added that she believed the focus groups would be very beneficial.

### **Club Reports**

Scarlet opened club reports discussing and passing around samples of the new products she has purchased for the pro shop. Scarlet noted that the bags have already sold out and she has placed another order. Scarlet brought a sample of the postcard that was mailed out to 3800 absentee members and new members on September 14. The postcard is an incentive for members to use the facility and keep them informed at what's going on at the club and offering them a 20% discount off any item they purchase in the pro shop area.

Scarlet had handouts on the membership counts and discussed membership renewal percentage rates and the drops we are now facing for this time of the year.

Derek added one thing to keep in mind is the way Check Free tracks memberships and the way we report everything. It doesn't look at families but looks at bodies. If you have a family that joins in May and only want to sign up for 3 – 6 months, they can do that with a 2 or 3 month membership only. Derek added that it is industry standard for memberships to drop off between August and December. These numbers are a little lower than he expected, but it makes sense. We had nothing in place to keep them from dropping their membership after a couple of months. He added that Danelle is working with staff on retaining memberships.

Danelle said that Scarlet, Amy and she are already looking at ideas to retain memberships next year for long periods of time. Danelle agreed that some of the retention problem is the pool months are over and some of those members were only here for the outdoor pool.

Chairman Wilensky asked if there is anything on our forms that allow us to track the reasons given for terminations of memberships.

Danelle responded yes, on the forms they complete we ask for reasons. Approximately 4 to 5 out of 10 will complete that. For August and September terminations, the majority of the members stated they were here only for the summer months or they were moving to other areas. Very seldom did we get the answer that they were going to Life Time or another club.

Scarlet explained that we expected memberships to drop, so we have planned promotions for the last 2 weeks in October. Next year we may need to plan a promotion earlier in the year. The kickoff this year is October 17 -31 a promotion for members and prospective members. Scarlet brought a sample of the cards going out to members and households in a 10 mile radius of the club. The promotion will offer a tier of discounts on the application fee depending on the plan they choose: month to month, 6 month or a 1 year contract for the new members as an incentive. For current members for the first new member they bring in they receive a tailgate chair or tumbler and they qualify for a drawing for a plasma TV with each referral. This will be a trial to see how successful this promotion is and if we will want to use it again. We are hoping to tie this in with the football season. With our new products, people are excited about the club. Scarlet believes this will be better than a one day promotion on application fees for the members. We will also have radio advertising and a sticky note in the Commerical Appeal.

Mr. Wilensky asked if Scarlet could do a visual or artist rendering or pictures of the new project to let members and prospective members see what is coming and when to expect it. Right now we have a floor plan, but we need a visual for visitors to stimulate interest in the Club.

Derek responded that Scarlet will send out an email to everyone about the promotion and a second reminder to the members that the contractors have agreed to let members do a walk through of the locker rooms around the weekend of October 25, so they can see what they can expect.

Ms. Jaggar added that even fliers with a list of amenities and pictures for prospective members taking tours so they can take one with them and have a visual of what is coming.

Scarlet discussed the E news letter going out on October 14. This will go out through Emma, our new software, featuring a club member who is now a sub-cycling instructor, and there will also be information about massage therapy and other new things going on at the Club.

Scarlet touched on other events planned for the club among the Gobble Wobble 5k run scheduled this November on a Sunday afternoon. Members can register for the Gobble Wobble on-line. We have it on Face book, and we have other advertisements on Gobble Wobble and our sponsors. Scarlet discussed our contract with Screen Vision advertisement and that we have added the Cordova Theatre. Scarlet asked were there any questions from the members.

Ms. Dunehew commented that she was happy with the new time on the Gobble Wobble 5k. 2:00 o'clock in the afternoon is better than 7 o'clock Saturday morning.

Mr. Ayerst asked if we had made a decision on the soft drink contracts for concessions.

Danelle responded that our contract runs through December, and we will be looking at proposals and making that decision then.

Chairman Wilensky commented on the details and pro-active initiative to counter some of the expected decline. Chairman Wilensky asked how these numbers compared with what was budgeted. Derek responded that he had a report on revenue and expenses he would be discussing next.

Mr. Hardin asked if he could thank Amy for the super job she did with the senior cook out everyone was very pleased and liked having the cookout at the pool.

Derek explained reports he was giving the commission members. The first report breaks down revenue from recreation and aquatics compared to expenses for that month. The second report breaks down the revenue for memberships, daily passes and application fees and shows a comparison from FY 2007 through FY2010 present. He explained to the commission members if they requested a report from Finance it could differ slightly depending on when revenue is posted. He had to manipulate the report from July through November subtracting out the Great Hall Revenue. Derek offered to sit down with anyone who had questions and show them how the budget is broke down.

Derek explained that Amy is blowing the numbers out of the water with her personal training numbers and budget. Amy is about \$20,000.00 above budget. Revenues are up.

Chairman Wilensky added that he is seeing numbers he has never seen before with personal training and with classes in the mornings.

Derek added that with him leaving and Danelle taking over, he thinks the numbers are something that will always need to be watched. With the industry trend the numbers are always going to be low at this time of year, but if the numbers remain low in January then that is something else.

Mr. Ayerst asked about the Revenue verses Expenses for 2009.

Derek added that these reports are only good for the month they are printed, if there any adjustments it gets changed the next month. Derek said he knows revenues were up almost 900,000.00.

Chairman Wilensky asked if he could show a trend back from FY08.

Derek responded it would take him a few days because he needed to back out the Great Hall expenses and revenue.

Chairman Wilensky asked if anyone was interested in seeing that trend.

Mr. Hardin replied not really. This report is a good start for a trend they could start tracking.

Danelle added she would continue updating these reports for each month.

Chairman Wilensky asked for any questions and comments on Derek's reports and there were none.

Derek moved on to discuss the Holiday Schedule changes the commission members had asked about last month. Derek explained he had gone back to research the holidays past and check-ins around those dates and normal work days before and after. In his research he found that the day after Thanksgiving when we are open, the check-ins were 25% below normal and the same for Christmas. Derek explained after talking to Patrick Lawton the City Administrator on his findings, they agreed the numbers did not justify the cost of operations in changing the hours of operations. He did say that this is something that can be surveyed and possibly continue to monitor to see if we need to make changes.

Derek offered to take the commission members on a tour of the construction area after the meeting to show them how the progress is moving along.

Mr. Ayerst asked if we were on schedule with the construction and Derek responded yes we are on schedule.

Chairman Wilensky added he had been on a tour with Derek before the meeting and he encouraged the commission members to take the tour. Chairman Wilensky stated he was impressed with the size of the new saunas and the adding of 2 -37" flat screen TV's, family changing rooms and swim suit drying spinners and the visual of the pool from the hall ways between the locker rooms. These are all amenities he believes will be really well received. Once you take the tour as members of the commission, you can help spread the word of these new amenities to the members.

Chairman Wilensky reminded the commission members of the invitations going out from the Mayor's office for the Annual Commission dinner in the Great Hall in November and asked members to please RSVP back to staff. It is very important to RSVP.

Derek thanked the commission members for their help, and expressed how much he enjoyed working with them the last 2 years.

Mr. Hardin responded that it goes without saying the improvements have been great and they appreciated it.

### **Adjournment**

Meeting adjourned.