

Germantown Athletic Club Advisory Commission Minutes

**Thursday March 3, 2016 – 6:00 pm
Great Hall & Conference Center**

- Members Present:** Chairman Ric Wolbrecht, Mr. Frank Baker, Ms. Diana Harviel, Mr. Jim Hastings, Mr. Jason Orman, and Alderman Dave Klevan
- Members Absent:** Mr. Ron Fittes, Mrs. Christy Gilmour, Mr. Jason Herrington, Mrs. Kristin New, and Mr. Gideon Scoggin
- City Staff Present:** Mr. Phil Rogers, Mrs. Amy LaRusso, Mr. Curt Cromis and Mrs. Debbie Powers
- Guest:** Ms. Stephanie Brockway, Germantown Education Foundation

Call to Order

Director Phil Rogers called the March 3, 2016 meeting to order. It was held in the Conference Room at the Great Hall.

Approval of the Minutes

Chairman Ric Wolbrecht asked for a motion to approve the January minutes. Motion to approve the minutes was made by Mr. Jim Hastings and seconded by Mr. Frank Baker. All were in favor.

Germantown Education Foundation:

Mr. Rogers opened the meeting introducing Ms. Brockway with the Germantown Education Foundation. Ms. Brockway in her introduction explained how the City is allowing her to attend the Commission meetings and share information about the organization and support for the Germantown schools. The foundation is celebrating their 10 year anniversary, and they are offering an opportunity for residents to sign up through the city water bill to make donations to the organization, and to support the 5k race they have planned in April. She explained all funds will support the Germantown education.

Club Updates:

Alderman Klevan addressed the Commission members and expressed his disappointment that there wasn't a quorum to accomplish vetting a recommendation from the Commission for the FY'17 budget for the Club. Alderman Klevan stated the City Administration would like to have a recommendation that can be sent to the Board of Mayor and Alderman, for the next phase of construction for the Club. He noted the commission does have the opportunity next month to meet and vote on the proposed recommendation. Alderman Klevan stated the Club is in great financial shape, the numbers continue to grow and support the renovations; by handling the renovations in three separate phases, the Club is not over extending itself. He stated Mr. Rogers will explain in detail the plans. (Shortly after Alderman Klevan's departure, Chairman Wolbrecht arrived late due to traffic- making a quorum)

Mr. Rogers addressed the Commission members with the financial numbers for the Club. He estimated the Club will clear about \$775,000.00 in net profit for FY'16. He said next year the Club is proposing \$600,000.00 in net profit. Mr. Rogers explained a lot of that is to cover the additional staffing. In the FY'17 budget for Capital Improvements, the Club expects to spend about \$2,500,000.00. Mr. Rogers explained what he is proposing for next year, is what he had wanted to do in the First Phase of renovations, however the cash flow wasn't available. The proposed plan for the Second Phase is to infill the basketball court at track level, below would be a designated fitness class space, and add more cardio equipment space on the mezzanine. He said as the Club continues to grow; we need to expand space, and this is where this renovation comes in. Mr. Rogers added the future proposed Capital in the FY'17 budget will not include the stairwell or hallway renovations; but each project will be completed in its fiscal year's budget, as standalone projects.

Mr. Rogers added the Club will need to borrow approximately \$300,000.00 from the General Fund to cover a shortage in Club resources; which allows the Club to maintain its cash flow and payback the General Fund \$100,000.00 a year during each of the following three years. He added the Second Phase is the biggest project, with laying steel for the floors and partition walls. Mr. Rogers stated he has spoken to the City Administrator and he is on board with the Club borrowing \$300,000.00. He explained the Club could cash flow the money during FY'17, but he needs the money in the coffers at the beginning of the project, and he can't do that.

Chairman Wolbrecht stated he had met with Alderman Klevan earlier, and he is in favor of this and would like the Commission members to approve a recommendation, so staff can move on taking to the Board of Mayor and Alderman.

Mr. Rogers added what is on the floor for a motion is to approve the Club borrowing the \$300,000.00 from the General Fund.

Chairman Wolbrecht asked if there were any more questions on the floor and if there was a motion on the floor to approve the two and a half million dollar project in the FY'17 budget.

Mr. Baker moved to approve the motion on the floor to approve the Club borrowing \$300,000.00 from the General Fund and payback in a three year period at \$100,000.00 a year.

Mr. Hastings seconds the motion and all were in favor. Motion passed.

Adjournment:

Meeting Adjourned