

# **Germantown Athletic Club Advisory Commission Minutes**

**Wednesday, September 6, 2017 – 6:00 pm  
Great Hall & Conference Center**

**Members Present:** Chairman Ric Wolbrecht, Mr. Frank Baker, Mr. Jim Hastings, Mr. Keith James, Mr. Jason Orman, Mr. Ronald Poll and Mr. Albert Pope

**Members Absent:** Mr. Justin Buck, Mr. Jason Herrington and Alderman Massey

**City Staff Present:** Mr. Phil Rogers, Mrs. Amy LaRusso, Mr. Curt Cromis and Mr. Andrew Pitts

**Guest:** None

## **Call to Order**

Chairman Ric Wolbrecht called the September 6, 2017 meeting to order. It was held in the Media Room at the Great Hall and Conference Center.

## **Approval of the Minutes**

Chairman Ric Wolbrecht asked for a motion to approve the April minutes as revised. Mr. Frank Baker motioned to approve and Mr. Jason Orman seconded and motion passed. Next Chairman Ric Wolbrecht asked for a motion to approve the August minutes as presented. Mr. Frank Baker motioned to approve and Mr. Jason Orman seconded and all were in favor.

**Club Updates:**

Mr. Rogers opened the club reports discussing the new rate structure comparison chart he shared last month. He recapped the PowerPoint presentation from last month stating the rationale for requesting a rate increase: continued growth is not sustainable, goods and services continue to rise, aging infrastructure, attendance is up in all programming and facility usage, the importance to stay competitive but not below market and it has been six years since the last increase. Next Mr. Rogers shared staff's restructuring ideas and proposed rate increase:

- 6 month renewal  
-Option only for existing members currently renewing 6 months at a time
- Youth membership  
-Less than 50 kids in it. Roll it into individual plan
- 10% off incentive for 12 month PIF  
-Currently no incentive to PIF
- EFT only for new members  
-Slowly reduce CC fees through attrition
- Per Child Fee  
-Existing members vs. New Members

**Proposed Rate Structure: Current Members with 10% PIF incentive**

	<u>Current</u>	<u>New Rates</u>	<u>Difference</u>	<u>%Increase</u>	<u>Current PIF</u>	<u>New PIF</u>
App/Joining	\$99.00	\$99.00	\$ 0.00	0%	\$ 59.00	\$ 99.00
Adult	\$39.00	\$43.00	\$ 4.00	10%	\$468.00	\$465.00
Joint	\$65.00	\$74.00	\$ 9.00	14%	\$780.00	\$799.00
Household (3)	\$80.00	\$90.00	\$10.00	13%	\$960.00	\$972.00
Senior	\$32.00	\$35.00	\$ 3.00	9%	\$384.00	\$378.00
Senior Joint	\$58.00	\$66.00	\$ 8.00	14%	\$696.00	\$713.00

**New Member joining after October 1 rate structure:**

	<u>New Rates</u>		<u>PIF (10%off)</u>
App/Joining	\$ 99.00	App/Joining	\$ 99.00
Adult	\$ 43.00	Adult	\$ 468.00
Joint	\$ 74.00	Joint	\$ 799.00
Household (3)	\$ 84.00	Household (3)	\$ 907.20
Household (4)	\$ 94.00	Household (4)	\$1015.00
Household (5)	\$104.00	Household (5)	\$1123.00
Senior	\$ 36.00	Senior	\$ 378.00
Senior Joint	\$ 67.00	Senior Joint	\$ 713.00

**New Member changes:**

- Same rates with exception of children
- EFT only option for monthly payments
- No 6-month PIF option
- No youth membership option

Potential Revenue:

- Increased membership revenue of approximately \$350,000
- Allow for 15% cancellation/attrition = approx. \$300,000

Timeline:

- BMA approval September 25th
- Letters/emails/ mass communication throughout entire month of October
- Rate increase effective November 1st

Open Discussion:

Mr. Rogers shared comparable facilities fees showing the Club is still very competitive in the market with the proposed increase. Mr. Hastings asked how far along will the Club be in Phase III, will the members be able to see the benefits? Mr. Rogers responded the Club has already spent four million dollars on renovations that are completed. Mr. Orman suggested staff have renderings up for Phase III and IV for members to have a visual of upcoming benefits. Mr. Hastings stated that members needed to be reminded that the cost of renovations is funded through membership fees not city funding. Mr. Rogers agreed. Mr. James ask to clarify if he is a member and his membership is paid in full, until he goes to renew after November 1<sup>st</sup> his cost will not be affected by the new rate. He added if he is month to month the new rate will start on November 1<sup>st</sup>. Mr. Rogers responded correct; that if he is paid in full until June of next year, the new rate will begin for him when he renews his membership, if he is month to month it will begin November 1<sup>st</sup>. Chairman Wolbrecht stated the importance to remind members the new rates will affect their membership cost if they allow their membership to lapse over the grace period; their membership will be considered a new membership. Mr. Rogers added the only difference is really in the family membership breakdown by per child. Mr. Poll asked if parents will understand the value of additional monies required for child care expense verses a very modest increase. Mrs. LaRusso responded that the mothers who have been with the facility for a while and have seen the benefits of childcare understand the value, and even mothers who have been with other facilities will see the benefits. Mr. Rogers said he knows the Club rates are very modest considering the many amenities the Club offers. Mr. Baker agreed, he stated everyone he talks to about new rates see the rates as a good value.

Chairman Ric Wolbrecht made a motion to approve the proposed membership rate increase as presented and to move forward with presenting to the Board of Mayor and Alderman.

Mr. Frank Baker seconded the motion; all were in favor. Motion passed.

**Adjournment:**

Meeting Adjourned