

Germantown Athletic Club Advisory Commission
Minutes
Wednesday February 7, 2018 – 6:00 pm
Conference room

Members Present: Chairman Ric Wolbrecht, Mr. Frank Baker, Mr. David Cashbaugh, Mr. Jim Hastings, Mr. Charles Hurst, Mr. Jason Orman and Alderman Massey

Members Absent: Mr. Dana Driver and Mr. Jason Herrington

City Staff Present: Mr. Phil Rogers, Mrs. Amy LaRusso and Mrs. Debbie Powers

Guest: None

Call to Order

Chairman Ric Wolbrecht called the February 7, 2018 meeting to order. It was held in the Conference room at the Club.

Approval of the Minutes

Chairman Ric Wolbrecht asked for a motion to approve the January 3, 2018 minutes as presented. Mr. Frank Baker motioned to approve and Mr. Jim Hastings seconded and motion passed.

Club Updates:

Mr. Rogers opened the meeting welcoming the members to the new Phase III addition of the Club. He stated the Club passed its final fire and safety inspection upstairs needed to occupy the space. Mr. Rogers said the space is not quite ready to open to the members; there is still a check off list for completion and cleanup to do. He added the locker room will not be ready for a couple of weeks and staff is very excited about the space. Members asked if staff would be reserving the conference room for meetings. Mr. Rogers responded most of the space in this area is for community space for the member's enjoyment.

Mr. Rogers discussed the January numbers; in comparison 2018 is down by 7 memberships and 15 renewals. He discussed earned revenue and unearned membership dues. He explained the members who pay month to month are automatically earned revenue, but our unearned revenue is membership fees paid in advance and is recognized in the month due. Mr. Rogers stated there is a big significance in the 2017 unearned membership revenue and the 2018 unearned membership revenue. He explained the difference is due to two reasons: the Club offered a 10% incentive to members to pay twelve month membership fees in advance, along with the rate increase and members trying to take advantage of the old rate by renewing their memberships early under the old rate.

Next Mr. Rogers discussed the FY'19 budget process and it being a very fluid document for the next five months or so when it goes to Finance Commission and the Board of Mayor and Alderman. He said staff is looking at how FY'18 will end and the expected FY'19 will look and how the CIP is affected. Mr. Rogers talked about the depreciation on assets the Club pays itself. He explained it is cash flow back to the Club for renovations and investing in the facility. He expects to have approximately 1.1 million in the cash flow for FY'19. Mr. Rogers talked about the budget being a very fluid document due to staff estimating expenses and revenue; and how the payroll and benefits expense is added at the end of the process by Finance.

Mr. Rogers discussed FY'18 ending and how the Club's cash flow will cover the capital projects in FY'19. He stated staff is expecting to present Phase IV of renovations for approval this year:

- Phase IV construction \$800,000.00
- Security cameras \$150,000.00
- Cooling towers \$125,000.00

Total estimated cost \$1,075,000.00

Mr. Rogers explained Phase IV consists of flooring the area upstairs for a cafe and a separate egress and ingress at the entrance of the facility. He added as part of this year's CIP he expects to add security cameras in the building and replace the cooling tower. Mr. Rogers stated the cooling tower is a shared expense with GPAC, where 30% expense is GPAC and 70% expense for the Club. He explained the ratio is determined by the space usage in the facility. Mr. Rogers said the three items he plans to move forward in the budget process equal about 1.1 million and that still leaves a healthy bottom line and doesn't drain Club reserves. He added that he tries to budget on the high side and come under budget at the end. Mr. Rogers stated the security cameras will allow the police department access to our security cameras, not in real time but they could go back and look at our facility. He said his objective is putting in a buildable camera system in the facility and entrance now and adding external cameras later. Alderman Massey asked if Mr. Rogers had an estimate of cost for the external cameras. Mr. Rogers responded he had not been quoted that aspect yet, but since the parking lot also needs new and better lighting and to be repaved, he would like to look at that project as a whole.

Mr. Rogers shared an old rendering of the original design display for the final look once Phase IV is complete. He stated Phase IV will focus on the building entrance egress and ingress of the facility, a cafe, and game area below. Mr. Rogers stated this is all that remains of the original plan. He said the front desk will be moved over so members will check in on one side and exit on the opposite side. Mr. Rogers said the entrance way will have sliding doors on both entrances. He mentioned the café and gaming space and how staff wants the facility to remain a family friendly environment. Members had questions about the cafe and old stairwell. Mr. Rogers responded that the old stairwell will come out at the end of Phase III. He added staff is still looking at options for the cafe.

Mr. Rogers also discussed upgrading the HVAC with the new renovations, and the fire panel that we now share with GPAC. He said staff is working on separating the two entities fire panels, so if we have alarms going off in our facility it does not affect the shows at GPAC, or vice versa. Mr. Rogers talked about Phase IV plans and add alternates, where if the base project comes in under bid, we can add an alternate within budget. He explained for example in Phase III we had two add alternates that we were able to complete under budget; the men's shower downstairs and the upstairs bathrooms. Mr. Rogers said hopefully we will complete two add alternates in this next phase, the fitness locker rooms configurations and the downstairs bathrooms off the Mind and Body studio.

Mr. Rogers ended the meeting taking the commission members on a tour of the areas in Phase III completed.

Reminder the commission is not scheduled to meet again until the Chill and Grill which will replace our May meeting.

Adjournment:

Meeting Adjourned