

Little Neck Swim and Racquet Club
Annual Meeting
October 27, 2008

The annual meeting of the membership of Little Neck Swim and Racquet was held on October 27, 2008 at the Clubhouse, pursuant to due notice as required by the Bylaws, with President Margaret Derrick presiding.

Board Members present were President Margaret Derrick, Secretary Jeanene Wolfe, Treasurer Daryl Mitchell, At Large Members Kevin Stewart and Carole Sharpe.

Staff Members present were Suzi Pease, Tony Benjumea, and Narh Tetteh

Meeting Agenda

- Call to Order: President Margaret Derrick
- 2007 minutes: Secretary Jeanene Wolfe
- Year in review & recognition of out going board members
- Treasurer Report: Daryl Mitchell
- Financial Report
- 2009 Budget Draft
- Presentation of candidates and brief statements: Cyndi Jones
- Presentation of Renovation: Kevin Stewart and Capital Improvement Committee
- 2007 election of board officers and renovation vote
- Committee Recognition and brief Reports
- Managers Report: Introduction of new manager Suzi Pease
- Tennis Committee Report: Grace Carlson
- Swim Committee Report: Bill Gill and Carole Sharpe
- Grants Committee Report: Diane Yates
- Social Committee Report: Nancy Hansson
- Grounds Committee Report: no report from chairmen-referenced in manager's report
- Rules Committee Report: Carole Sharpe
- Old Business: none
- New Business: Rebuild Tennis Courts 6, 7, & 8

Meeting was called to order at 7:07 pm by Margaret Derrick. 25 members were present including 5 board members to meet the quorum. Notification of the meeting was sent September 25, 2008. Michael Wagner-Diggs, the meeting parliamentarian was introduced. Debate is limited to 2 minutes per speaker. Rules adopted due to no objections. We will appoint a timekeeper if necessary. No corrections to September minutes and they were approved as presented on the website. 3 members appointed to be on the minutes approval committee: Andy Becker, Kathi DuBois and Melissa McClurkin.

President Margaret Derrick gave her status of the club overview. (See attached)

Treasurer's Report - Daryl Mitchell

Passed out copies of the financials but will also post them to the website. Last year, put together financial initiatives which are listed. Statement by Goodman and Co. balance sheets and budget (attached). Year To date cash on hand has increased 48%, revenue up 12%, operating expenses up 1%. Net income was \$36,915.59. Overall income up creating a good year. Sept 22, 2008 moved money out of Wachovia into another bank to set up BBT account with \$87,000. Working on first draft of '09 budget. Should have 62,000 set aside by end of '09 and make additional principal payments on second loan. List of credit facilities provided. BB&T has no pre-payment clause so we can pay it off early.

Nominating Committee

Chair Cyndi Jones presented slate of nominees. Committee consisted of Kimberly Valentine, Maria Miroulis, Kim Craft, Bob Jones, and Cyndi Jones. Listed slate and gave each nominee a chance to address the membership.

Lisa Conrad spoke briefly

Barbara Hudson spoke briefly

Kevin Stewart spoke briefly

John Brown running late so sent presentation with Cyndi

Al Craft spoke briefly

Capital Improvements Committee - Kevin Stewart

Had copy of current renovation plan available to hand out as well as posted on the clubhouse wall and website. Committee was a diverse committee, had to plead to get members, worked hard and presented plan last Oct. Verbal quotes were less than formal bids. Held off on construction to ensure the renovation would not be occurring during the pool season. Also reworked plan to move managers office to front of building. Board voted 6-1 that the new plan was not different enough from that presented at last year's annual meeting to warrant a revote. Also put forth plans at the April Special Meeting. Took questions from the floor.

Appointed 2 tellers to count the votes (Rob Roseman, Stacy Harvey volunteered)

Margaret listed current slate of nominees, requested nominations from the floor, none received so nominations closed. A plurality of the votes cast by ballot, no one needed clarification of the voting procedure. Ballots handed out, ballots should be filled out, folded in half and handed to one of the tellers. Tellers are retiring to tally votes, voting is closed.

Committee Reports:

- Committee Recognition and brief Reports

- Managers Report: Introduction of new manager Suzi Pease, gave brief report on the turnover from Shawn
- Tennis Committee: Grace Carlson
 - 7 members on committee with a large diversity represented, encouraged members to come, held monthly meetings which are open to all, want to implement both youth and adult programs, working on a jr. team proposal (similar to swim team), lot of work for resurfacing of courts and Suzi is helping get information to decide the best surface, money budgeted by current board for this and applauds board for doing so, also it's been a challenge to get damaged court repaired, we have come a long way over the last year, contact Grace or Suzi with any tennis concerns
- Swim Committee: Bill Gill
 - Another great summer with pool closed a very few days compared to previous years, 300+ swimmers on the team, finished season undefeated and won divisional meet, and hosted All Star meet, 14 new league records were set in our pool, Bill and Carole will have coming summer last as chairs with Theresa Komives and Bill Keenan taking over as chairs.
- Grants Committee: Diane Yates
 - Will fund some plantings in the Little Haven park which the city is improving
- Social Committee: no report
- Grounds Committee: no report
- Rules Committee: Carole Sharpe
 - Posted on website and updated each year for the swim season.
- Amy Courtney is historian and is seeking help with this. Thinks it would be nice to give some attention to the history of the club, would also be nice to document past board members.
- Old Business: none
- New Business: Rebuild Tennis Courts 6, 7, & 8 by Margaret Derrick
 - Tennis chair asked about settlement of court 5, typo stated 2009, should have been 2008. The court "bump" (damaged area) will be repaired and the whole court resurfaced.
 - 25,000 from '08 and 50,000 from '09 has been appropriated to fund the rebuild. A committee will convene in February to pick surface and get working to have them done by the end of the year. Cost for rebuilding vs. resurfacing questions. Suzi is looking into all options and will have all of the contractors make a presentation.
 - Took questions from the floor.

Meeting adjourned at 8:50 pm. Voting results will be emailed this evening.

Jeanene Wolfe, Secretary

President's Remarks

I want to thank you all for coming to this very important Annual Meeting. It is my pleasure to serve the membership as president of the LNSRC board of directors.

We began the year by reviewing the list of projects from past years. The projects were prioritized and we moved forward to develop a plan to complete each one of these.

The list included important projects that remained open from previous years. The Board took to task the following:

- Completing a Bylaws revision which was submitted to the membership and approved by over 51% of the membership
- Replacing the membership card system with a more effective and efficient electronic member tracking system
- Rebuilding tennis courts 6, 7, and 8
- Bring the Tennis professionals in our service under contract
- Collecting a settlement to repair the damage to court 5 by VA Power
- Prioritizing a list of capital expenditures (this included purchasing an AED, etc)
- Carrying forth the adopted vote to renovate the clubhouse bathrooms and snack bar/kitchen area as requested by the membership

The LNSRC Board had tried for some years to revise our Bylaws. At last year's Annual Meeting, the bylaws were not passed due to a question about voting procedures and not obtaining enough votes to meet the requirements. The Bylaws chairperson continued the discussion and left the Annual Meeting with a solid list of changes to the by laws to be able to obtain the votes required. These changes were made to the Bylaws in January and February. The changes were approved by the LNSRC Board in February and posted for member review 30 days prior to an special meeting in April. This special meeting provided an opportunity to bring members out before the crazy days of summer to enjoy our facilities and what it has to offer our community as a place to meet your neighbors, as well as get information about upcoming events and activities. The Bylaws revision vote was passed at this meeting.

At the April special meeting the new club sentry member card system was introduced. Members paying their dues that day were issued new member cards and guest passes for use during the next year. We had a record membership year despite the dues increase.

In the minutes of the 2006 Annual Meeting a priority was set for the tennis courts:

1. Upon Completion of the clay courts
2. Immediate repairs to courts 6, 7, 8 for cracking and low spots.

3. Court 5 resurfacing
4. Court 3 resurfacing
5. Court 4 resurfacing

Just weeks before I was to take office, the tennis committee sent a letter to portions of the membership asking for support to overturn the renovation vote because there was no plan yet to rebuild courts 6, 7, or 8. While the previous board minutes have no discussion of this need or motion to adopt a plan, other than the 2006 Annual Meeting promise to pursue **repairs**, the LNSRC Board moved forward with financial appropriations to rebuild these courts with a promise to the tennis committee to have completed courts 6, 7, & 8 **before 2010**. This plan consists of a financial commitment of club funds, research on the best surface and seeking comparative bids from court builders. As you know, at the completion of the clay courts, courts 2 and 3 were resurfaced. Court 5 had been recommended for a resurface ahead of these but due damage received during the repair construction by a Dominion power subcontractor this was put on hold until a settlement could be reached with Dominion power and its subcontractor Trafford. The court is still in disrepair from this damage today a full 2 years after the original damage occurred. Based on the records provided to the board and manager to this date, it appears that the settlement for the repairs was left with little or no attention during the 18 months immediately following the damage. Beginning in February 2008 there has been 8 months of persistent follow-through, a settlement was reached, and the repairs to court 5 will be completed before the end of the fall of 2009.

Upon taking office, it was determined that the Tennis professionals serving our membership were no longer under contract and had not been under contract since December 2006. In records I received, there were some guidelines but no contract had been drawn up for review and signing. Our Vice President, Ken Ingelsby gathered information from sources to bring together the outline for an initial contract. After negotiations with both Tony and Narh a fair and mutually beneficial contract was signed by both professionals in August of this year.

A list of proposed capital expenditures was discussed by the LNSRC Board and decisions were made to table the purchase of a wide screen projection TV, the replacement of the clubhouse flooring and the replanting of the front plant beds. These expenses were tabled because the expected clubhouse renovation would not permit immediate use or protected storage of the projection system TV; the irrigation system had been damaged but not successfully repaired, leaving the same problem of insufficient watering and irrigation of any new plantings; and the clubhouse flooring expense would be better delayed until after the completion of the renovation. The expenditures that were undertaken were; the club sentry member card system, the on-line court reservation

system with Tennis Connect (which is currently being integrated with our website), the purchase of an AED machine, and repair to the damaged shelter on the pool deck.

Another large undertaking by the LNSRC Board was to move forward with the clubhouse renovation project that began in February 2007 at the monthly Board meeting. The member survey was analyzed at this meeting. Based on the survey responses, it was determined that the top 3 priorities for our members were additional pool shelter, the purchase of an AED machine and the bathroom improvements.

Kevin Stewart was asked to head the Capital Improvements Committee (CIC) to develop and recommend a plan for a clubhouse renovation that would include the correction of electrical and plumbing problems to the clubhouse bathrooms. Committee volunteers were solicited from the entire membership and a committee of 10 members was formed, each with diverse club interests and professional backgrounds. The CIC was provided the position description per the bylaws and the information provided by the member survey. They were tasked with using this information to develop a renovation plan that would meet the needs of the club.

Although the survey referenced that there was a possibility for a \$35K renovation of the bathrooms, an earlier walk-through bid of \$75,000 was provided by a contractor to the grounds committee chair and presented to the board and declined in 2006. No record was provided to the CIC with any specific information regarding this \$75k walk-through.

The board was updated on the discussion of the CIC monthly. The first design expenditure was approved unanimously by the Board as recorded in the May 2007 minutes. The board was provided with the findings from the committee and brought forth for discussion each month at the regular meetings.

At the July 2007 Board meeting, a clearer picture was presented of cost estimates of \$250k and the project received unanimous approval by the LNSRC Board to further spend funds on design. This approval provided the go-ahead to spend money on initial design plans of the building space to be developed by a paid architect. We were fortunate to have a member who is an architect who volunteered to design these plans at a significant cost savings to the club.

Per the LNSRC Board meeting minutes throughout 2007, the CIC continued to update the LNSRC Board on the progression of the design concepts and the development of a proper financial plan to present to the membership. With no objections by the LNSRC Board to the course that the committee was following,, the CIC continued with the development of the design concepts and financial plan. The financial plan ultimately submitted to the membership included \$200K in debt financing and using \$50K from cash on hand for funding.

The conceptual layout selected by the CIC ; the financing plan for \$200K loan and \$50K cash on hand; a \$50 membership dues increase, were presented to the membership at the 2007 Annual Meeting. A vote to move forward with the project's financing plan as presented including a dues increase was adopted with the majority of the votes cast.

The dues increase was passed by the Board and applied to the membership in the 2008 dues mailing.

The CIC has worked with the LNSRC Board and the architect throughout 2008 to develop a design plan that meets our needs, fits within the budgeted financial plan and addressed member concerns brought forth and discussed at the annual meeting. Initial bids came in over our allowable budget so an earlier floor plan layout was reused. This reworking was able to bring the estimates for the plan within acceptable price range. Due to additional costs for petroleum based materials and added design costs, it was determined that the project would still come in over the financial plan adopted by the membership. The additional financing cost for the proposed increase in funds on the ballot that are needed to complete the design as it currently stands will only increase the cost of the financing to LNSRC by \$200 per year. The CIC and a majority of the LNSRC Board believe that the current design plan provides the necessary electrical and plumbing corrections; it allows for improvements to an unacceptable restroom design and functionality currently in place; and it provides a more staff- and member-friendly design of the kitchen/ snack bar space.

We are excited about our accomplishments for 2008 and we look forward to 2009 with increased enthusiasm as we move forward with our plans on the tennis courts and the clubhouse renovation.

Each of the LNSRC Board members takes the responsibility of their position seriously. We took on these positions because we appreciate what our club has to offer to the community and our families. We want to be a part of making LNSRC the best it can be. We appreciate your continued support. Although I am sad to see them leave the Board, I would like to acknowledge our out-going officers – Ken Inglesby (VP), Daryl Mitchell (Treasurer), Nancy Barbachem, and Kevin Stewart (both At-Large Directors). Thank you.

LNSRC Annual Meeting Results

In accordance with the bylaws, our annual meeting was held on Monday, October 27th, 7:00 pm at LNSRC.

Election Results

Vice President:

Lisa Conrad received 109 votes

Treasurer:

Kevin Stewart received 77 votes

Barbara Hudson received 31 votes

Officers at Large (2 positions filled):

Al Craft received 105 votes

John Brown received 81 votes

No illegal votes were cast.

Congratulations to those that have now joined our Board.

Other Items

The vote for the clubhouse renovation to carry forth with an increase in financing of \$26,000 (\$226,000 total financed and \$50,000 coming from the capital improvements budget) for a total project cost not to exceed \$276,000 passed with 80 votes cast in favor of the motion and 31 votes cast against the motion.

A special thanks to our nominating committee, Cyndi Jones, Bob Jones, Kimberly Valentine, Kim Craft, Maria Miroulis, and our tellers Rob Rosemond and Stacy Harvey, who put in a long night counting and verifying all the votes.

Thank you for your participation,

Margaret Derrick

LNSRC President