



MINUTES

BOARD OF DIRECTORS WORK SESSION

Wednesday, October 9, 2024, 1pm

WC Auditorium / Zoom

Directors Present: Marge Garneau (President), Bart Hillyer (Vice President), Jim Carden (Secretary), Candy English (Assistant Secretary), Nellie Johnson (Assistant Treasurer), Nancy Austin, Kathi Bachelor, Barbara Blake, Beth Dingman, Bev Lawless, Joe Magliola, Scott Somers (non-voting)

Director Absent: Dave Barker

Staff Present: Howey Murray (Finance Manager), Nanci Moyo (Administrative Supervisor), David Webster (CFO)

Visitors: 14

AGENDA TOPIC

1. Call to Order / Roll Call

Work Session Called to Order at 1:00pm by President Garneau. Secretary Carden called the roll.

2. Amend / Approve Agenda

MOTION: Director Austin moved, Director Johnson seconded to approve the Agenda.

Passed: unanimous

3. Budget Discussion: Fee Schedule, Operating Budget, and Capital Improvement Plan and Capital Budget

- CEO Scott Somers reviewed the budget and process with these highlights:
 - The Budget is scheduled to go before the Board of Directors for a vote at the October 23, Regular Meeting.
 - The work on the budget has been done by the departments at the operation level for budget requests for the 2025 fiscal year, and meeting with clubs regarding needs and expansion requests. Planning & Evaluation (P&E) Committee had a brainstorming session in August regarding club needs and voted on top priorities. These priorities were taken to the Fiscal Affair Committee (FAC) as a recommendation to include in the budget.
 - The FAC recommendation was to increase all fees at the same rate of three percent (3%) and then round up to the next factor of five (5), and to use the additional revenue to offset decreases in assumed housing sales.
 - The FAC reviewed all the P&E recommendations for the Capital Improvement Plan budget. The motions from the FAC included: 1) remove the \$100,000 surplus assumption from the three year projection; 2) Remove the steam room

from the Desert Hills locker room expansion decreasing the budget to \$249,000; 3) Discuss and negotiate with Clubs an amount or percentage clubs will contribute to requested capital projects; 4) Accept and recommend to the Board to the Browning funding amount of \$1,300,102 for MRR; and 5) Recommend to the Board the transfer from the Emergency fund any amount over \$500,000 to Initiatives.

- The club's offer toward the expansion construction cost: 1) Woodshop – material and labor for millwork, estimated at \$125,000; 2) Lapidary - \$30,000 to \$40,000 in funding, and 3) Artisans - \$1000 towards materials costs to construct a new wall.
- CFO David Webster provided a high-level overview with these highlights:
 - The 2025 Operating Budget Expenses equal \$11,685,954 (5.9% increase).
 - The 2025 Total Capital Budget equals \$5,682,603 (52% increase).
 - Grand Total for the 2025 Budget equals \$17,368,557 (16% increase).
 - Dues will increase by \$15 (3% increase) for 2025. The Membership Change Fee rate and Initial Fee is recommended to increase from \$3,000.00 to \$3100.00 (3.4% increase). The Transfer fee rate is recommended to increase by \$15 from \$450.00 to \$465.00 (3.4% increase). The Tenant and Guest Card recommended increase rounded up by \$5.00. The Tenant increases by \$5 for the different monthly fees. Guest Card from \$75 to \$80 and daily guest card increase from \$10 to \$15. The late payment fee is increasing by \$5.00 from \$25.00 to \$30.00.
 - A fee of \$0.25 charge for Non-Members for purchases at the Del Sol Clubhouse café has been added.
 - Wage line includes a 2.5% aggregate rate increase. Employee Benefits includes a 5.0% med year rate increase. Commercial business insurance is up by 5.0%.
 - A use of a credit card fee will be added to the transaction of three percent.
- The Desert Hills pool replacement (budgeted for worst case scenario) is in the MRR-B at \$1.6 million. An expert has been hired to give a second opinion and map the complex system of pipes to figure out the situation.
- Projecting to end the year with 844 home sales, but had budgeted 993 home sales. September projection for home sales was off by 1 house sale. Eighty percent of the houses sold (Member Change Fee) goes into the operations. GVR is relying less on dues in operations and more on the Member Change Fee. Reliance on home sales moving forward cannot be the primary focus.
- Expecting a deficit of \$90,000 this year.
- Projects rolled over from 2024 – Parking Lot at Del Sol Clubhouse; Ceramics Kiln Room; Desert Hills Locker Room; Metal Shop; Desert Hills Locker Room.

4. Member Comments: 1

5. Adjournment

MOTION: Director Carden moved, Director Blake seconded to Adjourn the meeting at 2:48pm.

Passed: unanimous