

Tuckahoe Recreation Club
1814 Great Falls Street
McLean, VA 22101
(703) 356-1205
www.tuckahoe.net
Tuckahoe Board of Directors

ANNUAL MEETING
MINUTES

Date: September 21, 2023

Time: 7:00 PM

Place: Haycock Elementary School

Board Members Present: Chris Bassler, Brendan Bayer, Keith Bretzfield, Ed Cho, Bert English, Nathaniel Glasser, Matt Kelly, Scott Lisman, Hiranya Maru, Monika Sibert, Andrea Smith, and Monica Winthrop

Board Members Absent: Jay Comfort, Cindy Dobyns, and Chris MacKay

Officers Present: Mike Thomas (President), Lauren Bostrom (Secretary), Bill English (Past President), Brian Hult (Treasurer) and Chris Zochowski (Vice President)

Quorum of 30+ members is gathered. Meeting called to order at 7:00 PM at Haycock Elementary School by the President.

President's Report:

- Welcome & Review Agenda
- Thank you to current board and staff at Tuckahoe - notably Phil, Jacob, Cheryl, Melissa, Maks, and Torey
- Close the Board of Director Voting - closed at 7:10 PM
- Share President's Comments
- Staff Changes this Year
- County Update - nothing new to report, all seems in order at the time
- Formation of the Member Relations Committee
- Full Membership and Strong Waitlist
- Successful Events this Year
- Rise in Poor Member Behavior - treat staff and other members with respect

Manager's Report

- Thank you!
- Successful programs this season. Swim team, dive team, junior tennis being among the largest.

- Many projects completed: new A/C units in buildings, improvements made to pool heaters, new speakers at outdoor pool, etc. (more from E&M)
- Robust calendar of events all summer were well attended.
- Full-time management team updates & management priorities and philosophies.

Executive Committee

- No report

Committee Reports

Nominations Committee (Part 1): Keith Bretzfield

- Candidates on Ballot:
 - Executive Committee:
 - Edward Cho - President
 - Bert English - Vice President
 - Lauren Bostrom - Secretary*
 - Brian Hult - Treasurer*
 - Board Members:
 - Chris Zochowski*
 - Matt Kelly*
 - Cindy Dobyns*
 - Andrea Smith*
 - Monica Winthrop*
 - Bill English, Sr.*
 - Nick Metcalf
 - Peter Marketos
 - Ratih Sudharto
 - Kristin Gorelik
 - Ana Florez
 - Mark Phillips
 - Raman Sarna
 - Hilary Scherrer
 - Katherine Smith
 - Mike Ingram
 - Richard Anton
- * indicates incumbent

Operations: Chris Bassler

- Thank you for a great year! Welcome to Phil Murray and thank you to Jacob Ryan.
- Members were able to enjoy the Outdoor Pool all year.

- Robust set of activities for all members and interests. Including swimming, diving, water polo, water aerobics, tennis, pickleball, fitness & yoga.
- Extended “Summer Operations” on weekends through September 24th.
- Beginning September 30th “Family Swim” will be available from 3 to 5 p.m. on Saturdays.
- The Outdoor Pool heaters are on and will be running all year. The marker for closures is set at 35° and below.
- Atmosphere and member decorum.
- We appreciate any feedback on opportunities to make the Club an even better experience for all members!
- Questions/Comments
 - Is it cost efficient to heat outdoor pool - we will get numbers, but per member cost is not great
 - Comment to consider re-evaluating age limit for jacuzzi - raise back up to 14 – will discuss at Operations committee meeting
 - Why is water polo free? – this was a new activity starting last year and we wanted to see what interest levels were like. Better to provide some opportunity to play rather than just train. Will look at charging for water polo in the future.
 - Comment to use social media for operations communications
 - Is Pickleball free? Yes (we have paddles too!) and so is mini-golf
 - Comment made about 6th lane usage in indoor pool stairway sometimes being blocked due to various reasons (swim lessons, water polo, etc.) - will be reviewed
 - Question about staffing for lifeguard in non-summer season - we do scale back when not in peak season, but are always looking for new talent. Right now, we are not understaffed, but are trying to be most cost-efficient. We have approximately 10 who regularly work throughout the week.

Programs & Concessions: Brendan Bayer

- Concessions:
 - Thank you to Maks and his team for all their work keeping us fed this summer.
 - Successful transition year coming from the 2022 season without a professional Grille manager.
 - Balanced increased labor and food costs with improvements in quality & service offerings.
 - The numbers suggest we ate well: ☆ ~6,000 novelty ice creams☆ Over 2,700 burgers☆ Over 2,000 curly fries☆ Over 1,900 Chicken Tenders☆
 - Seeking to prioritize and maintain consistency as we plan for the 2024 season.
 - Member suggestions are always welcome!
- Programs:

- Wrapping up a successful programming year with many thanks to Phil, Cheryl, Jacob and team for elevating the planning, participation, and quality.
- Event highlights include a Santa Visit, Annual Easter Egg Hunt, Tuckahoe Day, Wine Tasting, Crab Feast, Swimmin' Cinema (new), and more!
- Expanded schedule of twelve Sunday Morning Coffee & Donuts to provide more opportunities for members to communicate with Board Members.
- We welcome creative event ideas and assistance to broaden the Club's offerings!

Engineering and Maintenance: Ed Cho

- Capital Reserve Study
 - Club Benchmarking (CB) inspected the Club facilities and issued a report comprising its Capital Reserve Study.
 - On July 24, 2023, CB representatives presented its findings in a townhall meeting for members.
 - CB is currently in the process of formulating its capital strategies modeling for the Club, based on current and projected financial data.
- Summer Bath House Updates:
 - Interior:
 - Locker rooms and lobby were repainted with fresh, new colors.
 - Configuration of the lobby was changed to better accommodate foot traffic flow and check-in.
 - Bathroom/Shower and lighting fixtures were repaired or replaced
 - Exterior:
 - Rotting siding, eaves and soffit boards replaced.
 - Old crimson shadow box grills replaced with solid shadow boxes with new trim.
 - SBH exterior repainted and touched up.
 - A/C Units
 - New high-efficiency, ductless air conditioning units have been installed to service the lobby and kitchen/grille.
 - We have received compliments from the staff who work long hours in the glass-filled lobby and in the hot kitchen areas during the summer.
- Winter Bath House
 - Ramp Completed - We have a newly installed, solidly built and ADA-compliant ramp from the indoor pool deck to the fitness and hot tub areas.
 - Hot Tub Ventilation - New ventilation/exhaust fans and ventilation have been installed to improve air quality and air flow and mitigate moisture collection above and around the hot tub area.
 - WBH Boiler Room
 - Temperature sensors were repaired.

- New pressure reducing valves and pressure relief valves were installed.
 - Rooftop A/C Units
 - Two RTU air conditioning units servicing the WBH have been repaired and are being serviced (filters, humidistats and high voltage thermostats, and compressors).
 - One 5-ton RTU servicing the lobby and locker rooms has been replaced.
 - The platform bases underlying the units have been properly leveled to prevent further leakage of rainwater into the WBH.
 - HVAC Systems: Air Handlers
 - Of the three WBH Air Handlers that deliver heated air during the colder months, only one was functioning.
 - As noted in previous reports, the WBH HVAC systems, including the air handlers, are original, outdated, and must continue to be repaired and serviced at significant cost.
 - We are exploring HVAC upgrade options.
- Grounds and Landscaping
 - We have hired a new lawn and landscaping company to maintain our property. The contract includes regular mowing; mulching; aeration & seeding; weeding; trimming/edging; leaf/debris removal; playground wood chip installation.
 - New garden/mulch beds have been installed and redesigned around the SBH and the patio/pavilion areas.
 - We have made efforts to address member and neighbor complaints about the tree, weeds, and vegetation growth around the property perimeter.
 - We are always looking into options on how best to eradicate the weeds and ivy and to beautify the grounds just outside of, within, and between the Tennis Courts.
- Tennis Courts
 - The Tennis Courts have been resurfaced.
 - The lighting on the courts have been switched out to efficient LED bulbs and certain electrical connections servicing the court lighting have been repaired.
 - The team, in coordination with the Tennis Committee, continues to explore options and cost estimates for additional repair, including long-term solutions with respect to the underlying foundations.
- Club Furnishings
 - The patio tables were showing wear and tear; the team was able to replace the tables that are longer lasting, made of durable materials, more aesthetically pleasing, and are high enough for the patio chairs to fit under.
 - Next to the baby pool, we replaced the broken, large deck umbrellas. In addition, we replaced the broken umbrellas at the patio.

- Main Outdoor Pool Heaters platform has been restored and improved; shelter to cover and protect the heating units is the next and final step. Heater unit shelter construction to begin early November (without turning off the heat)
- Main Outdoor Pool Underwater Lights have been replaced with LED bulbs with higher lumens (single color).
- Clear Comfort System pumps malfunctioned and have been replaced.
- Miscellaneous work continues around the Club: Structures, such as metal fencing and railings, electrical wiring and connections, plumbing and lighting fixtures, new audio speakers, new signage at the grille and around the Club, and internet WiFi upgrades, among other things, have been repaired and/or replaced and improved.
- Future Projects:
 - Outdoor Main Pool
 - The Pump House structure is experiencing settling issues; we are exploring possible solutions, factoring in safety and cost-efficiency.
 - The main outdoor pool Surge Tank is original and nearing its life expectancy, having experienced several leaks. A new surge tank is in the process of being manufactured and delivered for installation in the coming weeks
 - Winter Bath House
 - Steam room tiles are failing to prevent moisture from leaking through the walls; work must be done to remove all of the existing tile, install a moisture barrier, and retile/regROUT the room.
 - Drop ceiling tiles throughout the WBH are old, stained and discolored and need to be replaced.
 - Indoor Pool and Deck Resurfacing
 - The indoor concrete pool deck has been repeatedly repainted, but the paint, sealant, and coating has not been holding up.
 - In addition, the uneven deck causes pooling of water in certain areas to not drain properly. The stagnant water is causing mold and mildew, which further damage the deck and its appearance.
 - The drainage from the deck surface is not working as intended, either because of improper grading or due to observable disconnected drain joints.
 - In addition, the indoor pool basin floor plaster coating is flaking and peeling, indicating that the plaster and coat adhesion is wearing thin.
 - The indoor pool coping stones are broken in certain places; water line and lane and wall target tiles are fading and are due for replacement.
 - The Committee is looking into options that would
 - improve the leveling, longevity, and aesthetics of the indoor pool deck;

- Improve and upgrade the surface drainage system; and
 - Repair the faults in the pool floor, coping stones and tiles,
 - Possible target work timeframe commencing in August 2024.
- Indoor Pool HVAC Systems
 - The indoor pool HVAC system is original (1950s) and is in dire need of an update to current standards, to improve the air quality, which includes air circulation and movement and minimizing excess humidity that is causing:
 - Corrosion and rust to the air handler motors, vertical steel wall posts and ceiling support trusses;
 - Corrosion to the garage door hinges and joints; and
 - Excess condensation on the glass surfaces of the fitness room and yoga room.
 - The Committee has engaged consultants (CTA Engineering Consultants) on the feasibility of incorporating a modern natatorium HVAC system into our aging indoor pool structure.
 - The consultants would need to bring in mechanical, structural, and civil engineers, as well as an architect, to assess the current WBH structure for a new updated HVAC system. The consultants would issue a report and recommendation.
 - The Committee is looking into options on which systems to install, including new air delivery and ventilation and exhaust ductwork, BAFs ("Big Ass Fans"), and/or dehumidification units (PoolPak), which are used widely for indoor pools.
- Other Future Projects
 - Tennis Courts Area
 - Paver patio area requires repairs.
 - Clearing of overgrowth between Great Falls Street and the Tennis Courts.
 - Survey and Study to be conducted to assess the cost of rebuilding the Tennis hill and courts.
 - Old swim team room vestibule area to be repurposed to become an additional outdoor pool equipment storage room.
 - Parking Lot - It is recommended that the parking lot asphalt be resealed and repainted to avoid costly repairs later.
 - Stairway to the Hill/Playground - A safety handrail is to be installed alongside the stairs going up to the playground/hill.
- Questions/Comments:
 - Did the wall between indoor and outdoor pools (before the garage doors) used to "sweat"? Yes

- Comment that sometimes in the winter, the lights are on over the tennis courts when nobody is playing - this will be looked into
- Comment about new stairs for sixth lane in indoor pool - what is progress on this? We are still waiting on this because of the possibility of re-doing the deck and we do not want to spend money on new stairs if we are unsure of compatibility
- Do we have potential costs for projects? We look into this with the finance committee, but we don't have the numbers for all projects at this time
- Comment that so much of TRC's technology and infrastructure is from the 1950s/60s/70s so we need to accept reality that an upgrade is needed
- When would WBH work be conducted? Potentially summer 2024, where impact would be less
- Why is the air quality during the winter so cold? This is because of WBH air handlers that were not working/were inefficient (all heat went to ceiling)
- Comment that temperature in WBH Ladies' locker room is cold - this will be looked into
- Is there a policy about when garage doors are closed vs. open? No specific policy - up to GM's discretion. Suggestion to open garage doors at 10 AM rather than 8 AM

Membership: Bill English

- It has been a very busy and successful year
- Thank you to Cheryl, our membership director, and her team for all of their hard work
- Overall membership update:
 - Tuckahoe is at 100% capacity, with 3,250 members
 - Waiting list is at 425 families (1,562 individuals) - this means we have about a 4.46 year waitlist (regionally, waitlists have moved from 3 years to 8 years) and we have received 29 new family applications since July 2023
 - Annual loss rate is approximately 10% - 11% (between 315-325 individuals). This past year, with dues increasing, was no different.
 - Limited members not eligible to move to the head of the waiting list - this was made official with a change in the by-laws in 2022. This season, we have 37 of 50 limited member spots filled
 - We have 103 emeritus members (members for 20+ years and 70+ years old). We have raised "dues" for this level from \$150 to \$165 (10% increase). These "dues" cover the cost for 25 annual uses.
 - Dues deadlines: Recommendation has been made to the incoming Board to review the dates that dues are received. This has been a problem because TRC can not send out acceptance letters to join until May, which is after many pools in the region.
- Questions/Comments:

- Comment that guest fees (\$7/guest) are too low - can we raise these? Will look into
- What are limited members? These are members who come solely between September and May. These are typically members of “summer-only” clubs.

Member Relations: Bill English

- Very pleased with the success of this non-action committee of passing information, comments, and recommendations from members to the Board, specifically the President and committee chairs.
- Questions/Comments:
 - Where to send suggested by-law changes? Send it to anyone! Can email comments@tuckahoe.net
 - How can we access the by-laws? They're online, or you can call the club!

Finance: Brian Hult

- Financial review of 2022
 - 2022 ended with continued growth from tennis and modest growth in most areas
 - General operations has been running at a net loss (\$1.5mm of cash inflows from dues vs. \$1.7mm for operations)
 - One of the largest increases came from a \$60k increase in lifeguard expenses and \$70k increase in utilities (gas, electricity, water, telephone)
 - Also had notable increases in pool chemicals, landscaping, recruiting expenses
 - This does not include any deferred maintenance identified in the club benchmarking report
 - It takes a small army to run Tuckahoe – ½ of the spend goes to salaries and headcount
 - \$135k of the administrative expenses were insurance, legal, auditing, and technology expenses (Club Automation)
- Budget Process for 2023:
 - The budget is built on a “bottoms-up” basis with inputs from across the club – Aquatics, Tennis, GM, Board Committees. For example, there is a line-by-line budget for lifeguards
 - In 2022, the process started just before Thanksgiving, followed by distribution to board committees, and then review at the December board meeting
 - Historically, the club operates at roughly flat – no excess income or expenses
 - Looking at 2023, the budget for general operations reflects the dues restructuring and continued growth in general operations expenses

- In many cases, the increase in expenses were contractual (e.g. tennis contract). Some of the categories will be linked – for example, Lesson Income with Coach fees
- 2023 Year-To-Date Actuals:
 - Much of the differences YTD are timing (e.g. Lifeguard expenses through the summer season)
 - There are some notable exceptions where there are variances to budget
 - Gas contract (\$47k)
 - Private swimming (\$28k) and tennis lessons (\$48k)
 - Recruiting, Legal, and Permitting Expenses (\$73k)
 - Interest Income on Cash +\$29k
- 2024 and Beyond:
 - Looking into 2024, we need to decide how to approach the \$2mm in deferred maintenance
 - This is approximately \$600/member
 - This leaves \$6.5mm over the remaining 19 years or ~\$340k/year. With the \$50/member CapEx fee, the club currently collects \$162.5k
 - Capital Strategies modeling is still underway, but we collectively need to decide how to address the annual need as well as the deferred maintenance - both in the short and long term
- Budget process and timeline:
 - Start preparation first week of October, followed by committee work in the second week of October
 - Board mailout of budgets in October meeting, followed by a public comment session
 - Approval is tentatively slated for November board meeting
- Questions/Comments:
 - Why did we issue a “dues credit” if we need money? We were trying to ease into the new dues structure, and the CB study was not given to the Board until June/July 2023.
 - Will we be able to catch-up going forward? It depends on how we approach this. Comments are welcome - we want to be fully funded.
 - How have we funded 6 years of deficits? I did not include initiation fees, which has “plugged the hole”, and have been used for emergent repairs instead of improvements
 - Can members see the budget in detail? I can present something similar to general membership, but not exact line-item details as some items (such as salaries) are sensitive.
 - When looking at the budget, have we looked in areas to increase/decrease costs - such as 10% increases on rentals or teams? We are looking at these areas - for

example, we increased guest fees in the past year, and recently increased “dues” for Emeritus members

Aquatics: Bert English

- We have a ton of kids who are great swimmers at TRC!
- Another great year with steady growth in quality and quantity
- Approx. 320 swimmers on swim team (60 Little Tigers - developmental program), 65 divers (10% increase)
 - Have focused on quality of dive program - there is significant in
 - This year, TRC hosted Divisionals - this is a big deal!
 - TRC has the fastest pool in the division due to the structure and design of our outdoor pool
- Significant improvement in swim program thanks to Torey - we have won Division I swimming for two of the past three years
- Winter swim and dive - just under 200 swimmers and about 40 divers
- Big Cats program - third year and is highly successful, with about 50 members participating
- Group lessons - 140 participants this summer, after consolidating, we had more members utilizing these programs
- Private lessons - 2400 lessons this summer
- Water aerobics is still holding strong - morning and afternoon sessions
- Water polo - steady growth since initiation, about 50 members participate
- Will look to expand offerings (specifically adult offerings like hydrotherapy) over the next year

Tennis: Scott Lisman

- Successfully resurfaced all the tennis courts and added Pickleball lines.
- General maintenance for the tennis facility has been upgraded over the past year.
- The Junior Tennis team has continued to grow dramatically with more members participating in the past season. This growth has helped our Junior Tennis team finish 3rd in the Tysons Cup.
- We have begun discussing and planning upgrades for the tennis facility for the next year

Fitness: Matt Kelly

- Upgrades to the Fitness space and equipment still being researched and considered. Gym is well-used, but ready for upgrades.
- Open-house and surveys will be coming out this winter to gauge member interest
- Fitness programming is also an area we are exploring

Marketing: Monica Winthrop

- Implementation of New Club Software (Club Automation)
 - Proven software with over 9,000 clubs supported
- Reinstatement of Tuckahoe Newsletter
- Weekly Email Communications
- Club Automation Key Member Features:
 - Mobile App
 - Scan into the club at check-In
 - Court and lane reservations
 - On-line program registrations
 - Automated confirmation & reminder messages
 - Club communication through email & Facebook
- Questions
 - Can we put a calendar on the website for monthly events?
 - Comment about logging in to Tuckahoe.net going through club automation
 - Can we look into how every member can email every board member? This is the point of the member relations committee or email comments@tuckahoe.net

Long Range Planning: Chris Zochowski

- No report

By-Laws: Bert English

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Nominations Committee (Part 2): Keith Bretzfield

- Candidates Elected:
 - Executive Committee:
 - Edward Cho - President
 - Bert English - Vice President
 - Lauren Bostrom - Secretary
 - Brian Hult - Treasurer
 - Board Members (in no order):
 - Chris Zochowski
 - Matt Kelly
 - Hilary Scherrer
 - Monica Winthrop
 - Nick Metcalf
 - Ratih Sudharto
 - Kristin Gorelik
 - Ana Florez
 - Next Nine Candidates in Order:

- Cindy Dobyns
- Peter Marketos
- Bill English, Sr.
- Andrea Smith
- Raman Sarna
- Katherine Smith
- Mike Ingram
- Mark Phillips
- Richard Anton
- 21 ballots submitted in Proxy
- Average number of votes per ballot was 2.6

Old Business

- Discussion about potential suggestions to by-laws - disagreement about how membership was informed. As captured in the minutes from Annual Meeting 2022, these were merely suggestions (non-specific) information and were therefore not on the ballot for this year. We can move forward with this by calling a special meeting for this vote (100 members in writing), putting this on the ballot for this year, or have the Board consider this through the By-Laws committee.

New Business

- How can we submit by-laws? We will communicate this process clearly.
- Three proposals for a new gas contract to present to the Board
- Mr. Murphy is formally entering his proposed by-laws changes as presented at the annual meeting.

Reviewed 2021 and 2022 Annual Meeting minutes. Minutes accepted.

Announcements

- Next Board Meeting will be held October 17th at 7:00 PM in the Tuckahoe Board Room.

Meeting adjourned at 9:24 PM.

Lauren Bostrom
Secretary

Mike Thomas
President

Proposed Amendments - Can be voted on at 2024 Annual Meeting

Tuckahoe Recreation Club Annual Membership Meeting 9/21/2023

The following three proposed TRC Bylaws Amendments were submitted and discussed at the September 29, 2022 Annual Membership meeting to be voted on at the September 21, 2023 Annual Membership meeting.

Proposal To Amend the Bylaws #1

Article I, Section 2(f) Capital Expenditure Fund would be changed from:

Capital Expenditure Fund, In addition to the amount of dues established under the provisions of Article I, Section 2. (c) above, each member shall pay additional annual fees at a rate not to exceed \$50.00 per year, as determined by the board of Directors with any increase in such fees not to exceed \$10.00 annually. Amounts paid under this paragraph shall be placed in a special "Capital Expenditure Fund Account" to be used solely for the purposes of described in Section 2.(g) below.

To:

~~Capital Expenditure Fund~~ **Capital Reserve Fund**, In addition to the amount of dues established under the provisions of Article I, Section 2. (c) above, each member shall pay additional annual fees at a rate not to exceed \$50.00 per year, as determined by the board of Directors with any increase in such fees not to exceed \$10.00 annually. Amounts paid under this paragraph shall be placed in a special "Capital Expenditure Fund Account" to be used solely for the purposes of described in Section 2.(g) below. Additionally, one-third of the amount of annual dues established under the provisions of Article I, Section 2. (c), above collected after January 1, 2024 shall be placed in a Capital Reserve Fund Account to be used solely for the purposes described in Section 2. (g) below. Any funds in the Capital Expenditure Fund Account at the time of adoption of this bylaw will be transferred to the Capital Reserve Fund Account. Any increase in dues, subsequent to 2024, shall specify the portion to be allocated to 1) Operations/Maintenance and 2) the Capital Reserve Fund.

Rationale for Change:

- 1) Will help assure that the dues increase proposed by the Board on the Ballot for the Annual Meeting of September 29, 2022 as an amendment to Article I, Section 2 (c) if enacted, will be used for the purposes stated in the Board's Rationale for the increase. Regarding the increase, that Rationale states "This will increase dues by an estimated 50% starting in the 2023-2024 membership year. The increase in dues will be used to increase reserves for long-term capital projects". The President's letter to members of July 21, 2022 explaining the Board's proposal for a restructuring of annual dues and the need for such, estimates that the increase in dues will yield approximately \$500,000 of additional capital each year.
- 2) Changing the name of the Fund from Capital Expenditure Fund to Capital Reserve Fund will help emphasize that its purpose is to build up a capital reserve account rather than an expenditure account.
- 3) Would help deter future Boards from moderating dues needed for operations or to keep up with inflation by reducing the allocation into reserves.

Proposal to Amend the Bylaws #2

Article I, Section 2. (g) Proceeds of the Capital Expenditure Fund would be changed from:

Proceeds of the Capital Expenditure Fund. Proceeds of the special "Capital Expenditure Fund Account" referred to above shall be used solely for the purpose of complete replacement, major repair due to casualties or major rehabilitation/improvement. Amounts derived from initiation fees, dues and other sources, and not otherwise reserved by the Board of Directors, shall be available to defray the operating expenses of the Club and to provide for the proper maintenance and improvement of its facilities.

To:

Proceeds of the Capital Expenditure Fund/Capital Reserve Fund. ~~Proceeds of the special "Capital Expenditure Fund Account"~~ Funds in the account of the Capital Reserve Fund referred to above shall be used solely for the purpose of the complete replacement, major repair due to casualties, major rehabilitation/improvement or in an emergency. ~~No funds may be obligated or withdrawn from the Capital Reserve Fund Account except by a vote of three-quarters of the total number of members of the Board of Directors including vacancies.~~ Amounts derived from initiation fees, dues and other sources, and not otherwise reserved by these bylaws or by the Board of Directors shall be available to defray the operating expenses of the Club and to provide for the proper maintenance and improvement of its facilities.

Rationale for Change:

- 1) Enhances protection of the Capital Reserve Fund and supports the recommendation of TRC's consultant, Club Benchmarking, to accumulate a Capital Reserve Fund.
- 2) The dues restructuring contemplated in the Board's proposed amendment is estimated to yield approximately \$500,000 of additional capital each year. Over a four-year period \$2,000,000 of additional capital could be added to reserves, with more added in subsequent years.
- 3) Requiring a vote of three-quarters of the total number of members of the Board would set a higher barrier for withdrawing funds from the capital reserve, helping to assure that such withdrawals are necessary and justified.
- 4) Would give the Board authority to access the reserves in case of emergency. The current bylaw, Art I, Sec. 2. (g), appears to deny such authority.

Proposal to Amend the Bylaws #3

Article XII, Section 1 Extension/Expansion of Facilities would be changed from:

Section 1. Extension/Expansion of Facilities. No major extension of the Club's facilities shall take place until it is approved by a majority of the voting members present in person or by proxy designated in writing at a regular or special meeting of the members.

To:

Section 1. Extension/Expansion of Facilities. No major extension/expansion of the Club's facilities shall take place until it is approved by a majority of the ~~voting members present in person or by proxy designated in writing at a regular or special meeting of the members~~ total individual members of the Club who are eligible to vote. Voting shall be in person, by submitted ballot or by proxy designated in writing, at a regular or special meeting of the members.

Rationale: Would assure that potential changes in the nature or character of the Club brought about by a major extension/expansion of facilities had the support of a majority of the individual members of the Club eligible to vote.