

HEART OF THE HILLS SWIM CLUB, INC.

Dear HHSC Members,

We would like to take this opportunity to update the membership on several of the ongoing areas that the Board has been diligently working on for the club.

Communication: Please take a moment to check out our new look at www.hhscswim.org. Information about everything club-related can be found here.

Membership: For the 52nd season in a row, the Club has maintained its maximum membership capacity, currently 380 member families. This amounts to over 1500 family members enjoying swimming, tennis, basketball, picnics, and other summer activities. We welcomed 30 new member families to the Club this season. The wait list for prospective members continues to remain strong at over 170 families, which equates to about 3 years based on average turnover.

Financial: We appreciate our members agreeing with the need to increase dues and guest fees for the 2014 season. Our goal is to accelerate funding for a new pavilion while ensuring we have coverage for any pool and grounds expenses.

We are in the process of analyzing our cash flow to determine if we can begin work on the pavilion this offseason without draining our cash reserves. Please expect that this analysis won't be finalized until sometime after the club closes for the season.

Pool/Grounds: The cost of maintaining and keeping the pool in working shape is an ongoing and expensive task. A new pool cover, which we will have to purchase this coming season, is estimated to cost \$10,000 - \$15,000 but we are looking for a better deal. This summer alone we have dealt with issues regarding the boiler, leaking water pipes, cracked gutters, tile deterioration and our pebble tech surface is due for repair next spring. This will be an expensive but long-term maintenance solution. Our parking lot is also in need of servicing/repair in the near future.

Pavilion Project: We know that everyone is curious about the status of the pavilion project. In late summer 2013, a survey was sent to all members asking them to consider 3 ways of accelerating funding for a new pavilion, with a 4th choice of waiting until the Club saved adequate funds for the project. The vast majority of the membership preferred building the pavilion sooner rather than later. The responses regarding the question of funding yielded no clear consensus with the following results:

- 31% Replace the pavilion in 2014, through a one-time assessment of approximately \$200 per family.
- 22% Replace the pavilion in 2014, through a 10-year assessment of approximately \$25 per year for 10 years, per family. Please note that this option will require HHSC to take out a loan.
- 13% Replace the pavilion in 2015, through a two-year assessment of approximately \$100 per year, per family
- 34% Postpone replacement until \$200,000 is saved in the capital improvement fund - approximately 3 years' time.

Increasing the bond limit for the membership was evaluated but determined to not be feasible as the current property value of the club, the basis for determining the bond amount, would not support such an increase.

As previously discussed, there have been some unexpected maintenance issues that were a priority early in the 2014 season. Addressing these issues, as well as considering other long term capital projects, must be done in conjunction with budgeting and planning for a new pavilion.

Pavilion Project: (continued)

A project committee has been formed, including non-board HHSC members with backgrounds in construction project management, building design, and architecture. We also expect to retain an outside project management firm to lead the execution of the project, from the bid process through completion. Updates will be communicated to all members as a timeline is established, construction plans are finalized, and work progresses on the new pavilion.

Swim Team: Just like that, the 2014 season flew by! This year's team continued to make improvements from last year, posting 566 best times, setting 3 new individual Heart records and 1 new relay record. The team finished 7th at A Finals.

We would also like to congratulate our four seniors and wish them all the best. Graduating this year are Emily Beargie and Julia Wright, who will both be attending the University of Michigan. Also graduating this year are Joe Krause and James Schuler, who will both be attending the University of Notre Dame this fall. Way to go seniors! Coach Katie would like every swimmer to consider participating this fall/winter/spring at NOW, Liquid Lightning, OLY or any of our other local swim clubs. The summer season is very compressed, which limits the amount of time the coaches can work with the swimmers, making any other swim participation all the more important. You can contact Coach Katie for suggestions regarding which team might most appropriately match your child's interest and skill level.

Hope you had a great summer.

Mark Langenderfer
President
HHSC Board of Governors