

Arlington Association, Inc.
Board of Directors
Minutes of April 17, 2007 meeting
Mulebarn 6:00 p.m.

Board Members Present: Don Calitri, Jackie Collier, Ron Durham, John Flanagan, Robert Geiger, Ron House, Rich Middleton, Debbie Newsom, Marietta McBride, Judy Ridings, Robbie Robertson

Board Members Unable to attend: Margaret Baxter, Jim Conneely, Lori Duncan, Joanne Glasser, Rodney Piercey, Mark Sandy, Donya Smith

Others present: Cheryl Harris, University Counsel; Joe Foster, Interim VP for Advancement and Foundation Board representative; Jim Marsh, Manager; Jay Chanley

Meeting called to order

Don Calitri called the meeting to order at 6:07 p.m. Calitri introduced Ron Durham who is filling Terri Hudson's term brought about from her resignation. Board members present introduced themselves to Ron Durham.

Managers Report –Don Calitri

In Jim Marsh's absence, Don Calitri delivered the managers report (enclosed in packet). He also reviewed membership numbers as presented in graph provided by Jim Marsh.

The graph shows a total membership of 1068. There was discussion of loss of membership. We lost 210 plus members and approximately 200 members have moved their memberships to dining only.

Calitri reported on the Friday meetings each week at Arlington. Work will be done on the house this summer but it will work around any events being done.

There was some discussion as to why we have Dining only with no minimum. Calitri reported that in the long run we at least kept people as members even if it was dining only members as they do pay an assessment fee. Everyone who retained their membership pays an assessment fee.

Treasurer's Report – Debbie Newsom

Debbie Newsom reviewed her report as submitted to the board. She focused on the net and reported that we are operating with a deficit of approximately \$50,000.

Newsom reported there would be on-going analysis of revenues and expenditures by specific areas, as well as comparisons to the prior year, to determine where the shortfalls are occurring that need attention.

Don Calitri moved we accept the report. Bob Geiger seconded. Accepted.

Newsom also reported that the approximate amount that can be funded for the construction/renovation project is \$3.7 million based on findings related to an analysis of cash flow from membership assessments and how this affects the approximate amount that can be borrowed for the renovation projects. She noted this assumes the interest rate for the borrowed funds would be the same as the financing rate or the assessment for those members choosing to pay it over the maximum ten year period. She further indicated this considers the reserve funds Arlington Association has committed to the project as well as the cash flow resulting from those assessments that are to be paid during the 2007 calendar year.

There was discussion following the report on the loss of memberships and the impact it has on the revenue at Arlington.

Don Calitri reported on the email received from the Chair of the Faculty Senate expressing concerns over the assessment fee. Calitri offered to meet with him should the Chair of the Faculty Senate desire. Prior to the assessment fee, 22.5% of the Arlington membership was made up of Faculty/Staff, following the assessment fee 22.4% of the membership is Faculty/Staff.

Secretary's Report – Jackie Collier

Jackie Collier asked for approval of the January 2007 minutes as submitted. Bob Geiger moved the report be accepted. McBride seconded. Hearing no objections, minutes stand approved.

Due to the earlier discussion of membership, Collier asked Board members to review the information in their packets.

Membership Committee – Joe Foster

Joe Foster reported in Mark Sandy's absence that the membership continues the work of marketing memberships. The next issue of the Alumni Magazine will have a back page ad for Arlington to promote membership. In addition to the ad, there is a brochure being developed that will be given to local businesses, the Chamber, and possibly used in neighborhood campaigns to recruit members. All of this is being done in conjunction with an experienced consultant who has great knowledge of both ECU and marketing.

There was discussion on the phrasing of the ad and Mr. Foster discussed the point that the ad is to draw in membership.

Pool Committee – Don Calitri

In Margaret Baxter's absence, Don Calitri delivered the report of the pool committee.

He reported on the updated rules/regulations as posted in the recent Arlington Newsletter. Margaret Baxter, Tim Cahill, Jim Marsh and Don Calitri reviewed ways to

make Arlington's pool more 'user friendly' in bringing guests to the pool. After working out some details the updated rules/regulations were mailed to all members.

With the rules/regulations accommodating grandchildren, Madison County guests, etc. it was decided that this would be a bonus to those members who kept their memberships in light of the assessment fee.

The question arose as to whether or not just anyone could come in and use the pool. They still have to be accompanied by a member.

Marietta McBride moved we accept the updated rules/regulations. Robbie Robertson seconded. Passed.

Old Business – Don Calitri

Calitri reported the restrooms on the golf course were completed.

The Main House, Golf Clubhouse and Swimming pool are with Architect for final work. Calitri discussed the things that have arisen as we work with state for approval trying to get bids completed. There are quite a few requirements by the state so it has slowed the process somewhat.

The best projection of the use of the \$3.7 million for renovations/maintenance is as follows: the pool will cost \$900,000 (which is down from original estimate of \$1.4 million the golf clubhouse is on track for \$1.7 million and the house is at \$475,000. This leaves approximately \$100,000 that will be used to upgrade tennis courts and parking with our total cost now being at \$3,525,000

Discussion followed on the pool. We will be having a new pool; just the footprints will not change. All of the pools mechanical work will be new, new deck, upgrade on concrete, new liner. To add the diving well that was first discussed would have added approximately one-half a million dollars to the project. The pool committee, after careful consideration, decided to have a new pool with the current footprint.

Ron House discussed the current moral of the Arlington community. He discussed what a tremendous buy it was to be a member of Arlington.

Ron made the following motion: The ECU Foundation support 50% of the funding and reduce the current assessment fees, paid by members, by 50% then with the money gained by new members or lost members rejoining Arlington could pay the money back to the Foundation.

There was discussion as to whether or not the ECU Foundation had unrestricted funds to spend on Arlington.

Mr. Foster talked of the Foundation's involvement in the renovations/maintenance and how the Finance Committee and the Executive Committee of the Foundation has been involved. The Foundation is who is enabling Arlington to borrow money against the Foundation's asset.

Mr. Foster and Mrs. Newsom also reminded us that the assets in the Foundation are restricted.

After much discussion, Don Calitri told Ron House he could explore this with the Foundation should he so desire. Ron House asked that motion be talked.

Further discussion followed on the renovation project. Bob Geiger moved we approved the project as presented with the \$3,525,000 renovations/maintenance.

Don Calitri will send a newsletter to the membership reporting on progress/status.

Seconded by Ron Durham.

Passed.

Mr. Foster discussed the new lease repayment with the Foundation.

Jim Marsh reported that Carol Lane's replacement has been hired, Marilyn Ballinger. He has also hired a new food and beverage/catering director, Diane Welker.

Don Calitri discussed the no smoking ban enacted by Madison County and how it will impact Arlington. Cheryl Harris is reviewing and the board and membership will be updated.

Next Arlington Board Meeting

The next Arlington Board meeting is scheduled for Tuesday, July 17 at 6 p.m.

Bob Geiger moved we adjourn at 8:15 p.m. Marietta McBride seconded.

Respectively submitted by Jackie Collier, Arlington Board Secretary
April 19, 2007