

PHRA board meeting
September 7, 2021

Via Zoom.

Board members (X indicates present)

X James Berry
X Chris Cook, vice president
X Marc DeLuca, president
X John Grossman, assistant treasurer
X Elizabeth Hosinski, secretary
X Shari Kane
X Shawn Kline
X Dorothy Lange
X Jim Nach
X Dan O'Grady
X Nick Reskusic, treasurer
X Rob Reynolds
X Allison Viola, registrar

1. Approval of minutes

Elizabeth moved, James seconded, all present approved.

2. Treasurer report

Nick reported PHRA had approximately \$331,000 in cash, about \$67,000 above the year-end target. While we have additional expenses pending, and excluding the larger projects (heater, pool resurfacing) to be discussed we should land well ahead of our year-end target (\$264,000). Maintenance expenses, however, are up. Some of this is related to the storm and tree work but the rest of it could be because of the cost of maintaining aging facilities. Marc moved, Chris and Dan seconded, and all approved the report (see appendix A). Nick said an insurance claim is pending and any money recouped from insurance would be added to the financial report once received. Nick said PHRA's accountant is retiring and provided replacement recommendations. Shawn, Shari, and Marc volunteered to help Nick select a new accountant.

3. Committees

Pool Committee- Marc reported a bill for \$2500 for the damaged fence (which is scheduled to be replaced by Long Fence) was submitted to insurance. Insurance will only cover the cost of tree removal for the tree that damaged the fence. John will follow up with insurance to make sure they have what they need to adjudicate the tree removal claim. Marc reported several companies recommended the large tree leaning towards pool come down soon. The pool committee is working on getting bids for tree work inside the pool enclosure and also for a retaining wall to manage water run off into the pool deck and by the ping pong table.

Marc briefed on the two competitive bids for heaters (one bid was not considered since it didn't include permitting). Marc moved and Dan seconded selecting the bid which was 20% cheaper (\$44,500 vs \$53,000) if there was no need for an electrical permit and 18% cheaper (\$46,000 vs \$53,000). John questioned whether the discount was worth it given previous quality control issues with the contractor. John gave some examples of that contractor's previous work including installing a broken water meter, pipe repairs of questionable necessity, not reporting the broken heater, and a white coating that didn't last the average time it should have. Chris added to John's example concrete work done last season, which

was already breaking. Shawn and Shari expressed concerns about awarding heater work to an incumbent contractor who was not bidding on next season's pool management. After hearing the concerns, Marc retracted his motion. Dorothy shared a suggestion from a fellow member that we consider separating the pool maintenance from the management and the name of a company who might provide the maintenance. Marc said that was the company that wasn't considered to do the heater because they wouldn't do the permitting or act as a general contractor. In response to a question from Shawn, Marc said he called the more expensive contractor's reference and received a favorable review as it pertained to the completion of a capital project and several positive reviews as it pertained to their pool and lifeguard management ability, which he noted would be expected from a curated list of references. Marc added the timing for the heater work should be the end of April and not this year, and this should be plenty of time to get the new heaters. John moved and James seconded to select the more expensive contractor and then ask shareholders to vote to approve spending up to \$53,000 on the repair. John, James, Allison, Jim, Shawn, Elizabeth, Dorothy, Chris, Shari voted yes. Dan, Marc, and Nick voted no.

Regarding pool resurfacing, Marc moved to include in the annual shareholder meeting a proposal to approve up to \$170,000 to resurface the pool, paid for by an assessment of \$500 by shareholders, and the assessment would be paid in two installments of \$250: one in December 2021 and one March 2022. Rob asked if we'd maintain our required cash reserves. Nick said there is no statutory requirement to keep a level of cash reserves but the engineer's report did recommend amount, which was very high. Shawn added PHRA has never come close to the recommended amount as it was more than \$1 million. Dorothy asked if honorary members are responsible for paying for capital improvements and Marc said his assessment of the honorary member agreement was they are not. The motion was seconded by Chris and passed unanimously.

Tennis committee- John said the court repairs were underway and will include adding pickle ball lines to courts one and two. He flagged the lights on court 2 are starting to fail (they are more dim than the other lights) and that the trees by court four obstruct some of the lights. Marc said he'd ask the tree person to come back out to address court four and asked John to look for a previous bid to replace the upgrade the remaining non-LED lights, which Marc thought was about \$11,000. Nick asked John to follow up with the tennis pro to get the summer program financials. The tennis committee also passed a request from St. James school to use three PHRA courts for one hour on Friday evenings for eight weeks. Shawn suggested that we ask St. James for something in return for the use of our courts. For example, the Lacrosse Youth League team that uses our field pays to have it aerated and re-seeded after they are done using it. Marc suggested that we ask St. James if we can use Heller Hall for our annual meeting. The tennis committee is going to check with St. James if they'd let PHRA use Heller Hall for the annual shareholder meeting in return for the use of the courts and then check with the board to see if board members agree to the proposal.

Membership committee- James looks forward to working with the capital committee on the survey results regarding more social activities.

Grounds committee- Dan said the Boy Scouts will work on September 25 to spread woodchips on the south trail.

Long term planning committee- Allison thanked survey leads Todd Robyak and Barb Mayer. Shawn, Dorothy, Marc and others also thanked Allison and the committee for their work on the survey. Shawn asked if questions 18-29 could break down responses by equity and non-equity members. Marc moved, Chris seconded, and all approved posting the survey results to the website. Allison will update the website once questions 18-29 are updated to show equity vs non-equity.

5. Open items

Elizabeth said pool management proposals would be circulated to the board soon and asked members come ready to vote on the next management company at the October 5 board meeting. She also flagged the first notice for the annual shareholder meeting would be sent soon. The meeting is planned for October 19, at 7p.m., in person at a location TBD. Dorothy asked to discuss COVID protocols before the meeting.

Rob flagged an issue with members seemingly circumventing the rules about paying for parties at the pool and the need to improve the communication between the pool management company and the membership committee on party requests and reservations.

6. Adjourn

Appendix A- financials

	A	E	F	G	I	J	K	L
1	Poplar Heights Recreation Assoc. Inc.							
2	Profit and Loss							
3								
4				Actual to Date (2021)	Budget			
5		Nov 2018 - Oct 2019	Nov 2019 - Oct 2020	Nov 1, 2020 - Sept 5 2021	Nov 2020 - Oct 2021	Diff	%Diff	Comments on variance
7	Fees							
8	Active (base fee, plus \$30 per each added)		\$ 440	\$ 440	\$ 440			
9	Renter (base fee, plus \$30 per each added)		\$ 660	\$ 660	\$ 660			
10	Inactive		\$ 75	\$ 125	\$ 125			
12	Dues							
14	Members Paid - Full		275	320	305	15	5%	
15	Avg Dues		\$ 525	\$ 517	\$ 515			
16	Member Dues		\$ 144,265	\$ 165,458	\$ 157,075	8,383	5% A	
18	Renters		152	177	180	-3	-2%	
19	Avg Dues		\$ 762	\$ 738	\$ 750			
20	Renter Dues		\$ 115,860	\$ 130,610	\$ 135,000	-4,390	-3% B	
22	Inactive		94		\$ 45			
23			\$ 8,275		\$ 5,625			C
25	Revenues							
26	5100 Dues/Member	163,030	144,265	165,458	157,075	8,383		
27	5150 Dues/Renter	142,170	115,860	130,610	135,000	-4,390		
28	5152 Renter-August & September	9,000		2,000	0	2,000		Limited sales, delay in heater decision
29	DUES	\$ 314,200	\$ 260,125	\$ 298,068	\$ 292,075	5,993	2%	Will finish the year ahead of plan
30	FEES							
31	5420 Guest Fees	\$ 12,005	\$ 1,290	\$ 7,726	\$ 2,500	5,226		
32	5430 Waiting List Fees	\$ 5,625		\$ 3,550	\$ 1,500	2,050		

33	5440 Inactive Fees	\$ 4,125	\$ 8,275	\$ 3,450	\$ 5,625	-2,175	
34	5460 Late Fees (Member)	\$ 1,450	\$ 1,350	\$ 500	\$ 0	500	
35	5470 Lost Stock Certificate	\$ 15	\$ 5		\$ 100	-100	
36	5480 Share Transfer - Sale of Home	\$ 200	\$ 50	\$ 250	\$ 100	150	
37	FEEES	\$ 23,420	\$ 10,970	\$ 15,476	\$ 9,825	5,651	58% Much higher guest and waitlist fees than budget
38	OTHER INCOME						
39	5425 Merchant Services Account	\$ 1,287	\$ 6,795	\$ 5,404	\$ 0		
40	5500 Other Income (Miscellaneous)	\$ 2,180	\$ 13,680	\$ 1,150	\$ 1,000		
41	5600 Interest Income	\$ 2,885	\$ 989	\$ 21	\$ 21		
42	5700 Share Sale (Redemption)	\$ 0	\$ 0	\$ 0	\$ 0		
43	5750 Snack Bar Income	\$ 8,501		\$ 10,334	\$ 1,500		
44	5850 Tennis Program Income Members	\$ 0	\$ 57,084	\$ 1,918	\$ 1,918		
45	5870 Tennis Program Inc. Non Members	\$ 5,196	\$ 5,356	\$ 1,134	\$ 5,000		
46	OTHER INCOME	\$ 20,049	\$ 83,905	\$ 19,960	\$ 9,439	10,521	111% Ice Cream 20% ahead of 2019 actuals, also includes \$5k in CC fees collected (not budgeted)
47	Income	\$ 357,669	\$ 355,000	\$ 333,504	\$ 311,339	22,165	7%
48							
58	GENERAL AND ADMINISTRATIVE	\$ 8,273	\$ 14,758	\$ 11,612	\$ 8,100	-3,512	43% Didn't budget CC charges (\$5k), which is causing the overage. Washes against revenue from CC fees
69	MAINTENANCE	\$ 53,560	\$ 40,568	\$ 55,127	\$ 38,000	17,127	45% all
86	POOL OPERATION	\$ 132,374	\$ 182,433	\$ 123,684	\$ 131,645	-7,961	6% Includes full Titan contract in Actuals, trending to on plan but will be close
91	PROFESSIONAL FEES	\$ 13,347	\$ 10,835	\$ 9,032	\$ 9,500	-468	5% Boundry legal fees continue to add up; no movement since last update
97	TAXES AND INSURANCE	\$ 43,365	\$ 50,050	\$ 49,484	\$ 52,300	-2,816	5% includes all 2021 property taxes, should be under plan
105	UTILITIES	\$ 23,545	\$ 17,361	\$ 12,892	\$ 22,300	-9,408	42% Tracking under, but we still have several months of expenses to go; Note that no heater limits gas usage
106	Operating Expenses	\$ 274,464	\$ 316,088	\$ 261,831	\$ 261,845	.14	30%
107	Net Operating Income	\$ 83,205	\$ 38,912	\$ 71,673	\$ 49,494		
108							
109				Actual to Date (2021)	Budget (Draft)		
110		Nov 2018 - Oct 2019	Nov 2019 - Oct 2020	Nov 1, 2020 - Sept 5 2021	Nov 2020 - Oct 2021		
111	CAPITAL IMPROVEMENT						
131	Total Capital Improvements	\$ 65,699	\$ 111,138	\$ 4,500	\$ 25,000		
132							
133	Cash Reserves						
134	Cash (includes annuity in 2016-2018)	\$ 312,582	\$ 239,919	\$ 331,296	264,413	66,883	
135	Change in Cash	\$ 8,261	-\$ 72,663	\$ 91,377	24,494		
136							