



**Dad's Club Board of Director's Meeting Minutes
Monday, 21 October 2024, at 6:30 p.m.
Studio A of Dad's Club Aquatic Center**

I. Declaration of Quorum / Call to Order at 6:38 p.m. (Justin C)

a. Present:

- Justin Chapman
- Chris DelGardo
- Linda Kutac
- Earl Lee
- Cheryl Nealon
- Carli Tyson
- Rey Aguilar
- Jussi Thomas
- Dustin Heitmann

b. Absent:

- Wojciech Mrugala
- Sarah Snyder
- Jeff Manley
- Robert MacNaughton

II. Review and approval of minutes (Chris D)

a. Motion to approve the minutes as presented for September 2024:

- i. Motion: Cheryl**
- ii. Second: Jussie**
- iii. Vote: Approved Unanimously**

III. Treasurer Report / Financials (Earl L)

- a. YTD net income \$577K**
- b. Compared to YTD in September 2023, we're +\$180K net profit**



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- i. This is due to facility development fees (\$91K), annual fund (\$65K), facility rentals, classes, etc.
 - ii. Facility costs (electrical repairs, heaters, etc.) are higher than last year, but revenues are also up, offsetting the facility cost increases
 - iii. Fonn Villas are showing a profit of \$11.4 K this year.
- c. Balance Sheet
 - i. Cash / MM \$2.4 MM
 - ii. Notes payable \$2.2 MM
 - iii. Cash flow projection – 12 months from now – indicates we'll likely be sitting on \$3MM in cash
 - iv. For the first time in Dad's Club history, we have enough cash reserves to pay off loan completely
- d. Loan matures in 2029
 - i. Current rate is 4.75
 - ii. Current new 5-year term loan would be 6.25 – 6.75%, however when the loan matures, it will likely be even higher due to inflationary forces in the market

IV. Organization Review / Committee Updates

a. Insurance

- i. Insurance claim (repair status, claim payment status)
 - 1. Claim is still pending – we expect a response this week
 - 2. This claim has moved from the adjustors to the managers to the decision makers



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3. We hope to receive \$50K on the claim. Total loss was greater than \$100K for the storm.
 - ii. We have employee medical insurance rates back. We have about an 8% increase this year. It did not go up that much last year. Our new PPO will also shop our benefits.
- b. Non-profit status with HCAD for the north lot.
- i. HCAD renewal of our non-profit use requires a reapplication every five years.
 - ii. We have to demonstrate that we are using this to support our non-profit vision.
- c. City of Spring Valley SUP updated application is complete
- i. We've turned in site plan and stamped drawings provided by Goulas
 - ii. We're currently waiting for Goulas to give us specs
 - iii. Next steps: Planning and zoning is the second week of November. Justin will attend, and Mark Goulas will attend the meeting with us
- d. Offsite parking for the Swim Marathon
- i. Just across the light, east of Bingle (8582 Katy Freeway). Contact info:
Freeway Properties
Angela Hernandez
Property Manager
(381) 225-1291
 - ii. They're providing it at no cost, so we'll offer them a sponsorship
- e. Heater repairs
- i. ~15K to repair, and ~40K to replace



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- ii. We've had it for 10 years, which is the full life expectancy for that equipment. It's likely not to last through the winter.
- iii. We have two heaters – need both operational to keep the temperature through the winter. Only one needs replacement. Both are the same age, but the other one is in much better condition
- iv. Replacement heater is available in Houston right now. If we wait until it fails, it may take well over a month to get the parts in.

f. 33-yard pool wall and windows

- i. Wall and windows that were replaced on the pool are failing. We see three separate leaks at this time.
- ii. We don't know if the water is leaking through the windows, or if there is a pipe leak in the wall.
- iii. If the wall fails, then water comes out of the pool to the lowest point, risking personal injury + equipment damage. We talked with our engineers today. They may need to consult with a structural engineer to determine if the wall is sound.
- iv. We are not using this pool until we resolve this risk. We've moved all revenue-generating activity to other (heated) pool until this is completed. We believe we can continue this for up to a month without loss of revenue. We don't want to fall behind competition, so we're addressing this right away.

V. Cash Reserves Discussion

- a. Recommend creating a cash reserves line item on the balance sheet that is not part of the operational account. It should only be accessed in the event of specific circumstances



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- b. We should develop and approve decision matrix to determine the amount of reserves to maintain in this cash reserve + decision criteria for accessing the fund.
- c. Once developed, the board should review and update the reserve matrix each 6 months
- d. Jussie will develop a draft matrix and review with the board next month

VI. Committee Reports

a. Swim Team Update (Rey A)

- i. We have 520 swimmers
 - 1. 28 at Fonn Villas
 - 2. Our current count is holding an upward trend: in 2022 we had 493 swimmers at this time of the year, and in 2023, we had 515
 - 3. We have a few swimmers on the waitlist who are not interested in Fonn Villas. Hope to open these spots in the next few weeks
- ii. We're recruiting meet directors at this time. This is an important volunteer role. Our current meet directors have kids that are graduating soon, so we need to replenish this role soon.

b. Fundraising Committee (Sarah S)

- i. Marathon
 - 1. Spooktacular Fall Festival will be held on Saturday, 26 October for Swim Team. We will include games such as Apple Bobbing, a Hay Bale Lollipop Pull, Pumpkin Ring Toss, Corn Hole, a Cake Walk and Wheel of Fortune. Food, prizes and treats will be



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provided. Swimmers will complete their annual endurance swim as well.

2. As approved by the board, Swim Team members were assessed a "Facility Development Fee" during registration that will take the place of the Swim Marathon donation obligation. Swimmers will be encouraged to still participate in individual fundraising, with the hope that total revenue generated will increase, and morale and enthusiasm surrounding the event will improve. Adult Masters Swimmers will have their Marathon Swim on Wednesday and Thursday, 23 October and 24. They are encouraged to fundraise for their club as well. Any Adult or Swim Team Member who donates \$50 or more will get a Marathon T-Shirt.
3. Sponsors are being secured for poolside banners, and those wanting to be included on the back of the Marathon T-Shirt will be due by 1 November. Sales of Raffle Tickets, Paint A Plank and Yard Signs are ongoing

c. Long Range Planning

- i. On Wednesday, the screen fencing will be installed with our logos, just in time for this weekend. They did come out today to finish out some punch list items on the fence
- ii. Well has been installed. It is operational but is not yet hooked up. Plumbers are coming through Wednesday of this week to finish this up. We need to install a 'house' on the new well.
- iii. We need to submit the application to the city for the modular buildings. Once we have them approved, we'll get them ordered and



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installed. Our plan is to eliminate the dolphin shop from its current location.

iv. Repairs & maintenance

1. Sinkhole has been fixed
2. Drainage under the bleachers is completed.

v. We're waiting on Mark Goulas' plans for solving the parking lot issues

d. Events Committee

- i. Events committee is working the Marathon committee to get ready for the Fall Festival and Marathon Fundraiser

VII. North Lot / LOI Discussion

- a. Last month, Tony Padua visited the board to discuss purchasing and developing the north lot. Padua has submitted an LOI for this purchase. We have provided feedback and comments to this LOI.
- b. After the meeting, Justin continued the discussion with Tony how to advance this discussion for presentation back to the board.
- c. Board agrees to get another LOI signed by Padua, and let Padua get started on a contract. Justin will not sign an LOI without board review and approval.

VIII. Nominating Committee / Elections

- a. The following board positions expire this year:
 - i. Justin, Earl, Chris, Cheryl, Jeff, Dustin, Wojciech, and Sarah.
 - ii. Wojciech and Sarah are not seeking reelection.



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- iii. Two-thirds of the board needs to be from the swim team to maintain the ratio required in the by-laws.

b. Current slate of nominees:

i. Swim Team

- 1. Returning board members: Justin, Earl, Chris, Cheryl, Jeff
- 2. This leaves us with two vacancies
- 3. We've received two self-nominations: Andy Laegeler & Carolina Sierra

ii. Membership

- 1. Returning board member: Dustin
- 2. This leaves us with one vacancy
- 3. We've received one self-nomination: Eric Hoffpauir

- c. Each self-nominated person meets the criteria of being a board member – all accounts current, etc.

d. Motion to approve the slate of nominees

- i. Motion: Chris
- ii. Second: Carly
- iii. Vote: Approved Unanimously

e. Motion to seat the entire slate without an election

- i. Motion: Jussie
- ii. Second: Dustin
- iii. Vote: Approved Unanimously

IX. Adjourn at 8:20 p.m. (Justin C)