

FROM THE CLUB BOARD

Town Hall Meeting on fees vs. assessments

Which is the best way to raise the revenue needed to cover the cost of our amenities considering what is best for the Villages in the long run? The Town Hall Meeting to discuss this issue will take place in the Foothill Center on April 5 at 1:30 p.m. and 7:30 p.m. On page 5 of this *Villager*, you can read the Facilities Use Committee's report on determining the proposed clauses for a new written policy on this issue. They will also be posted on the Villages' website. This will give everyone the chance to study them before the Town Hall meeting.

When thinking about this question, the important points to remember are the facts that our amenities cost dollars. First, our facilities must be lit, heated or cooled, set up with various arrangements of chairs and maybe tables, kept clean and given routine maintenance. In addition, from time to time they will need major repairs and restoration. The second fact is that the dollars to pay for all this can only come from assessments or user fees. There is no other source of money for this. Any decision on fees versus assessments will not affect the amount of money that needs to be spent, only out of which of our pockets it comes.

The proposed new policy on fees main purpose is to have a policy that states where it is or is not in the best interest of the Villages to charge user fees as opposed to covering the costs through the monthly flat per unit assessments. Most of the proposed clauses simply state what we are now doing. A few will move the needed dollars from one pocket to the other pocket.

Please do not be a part of a "silent majority." What do you prefer? Make your opinions and feelings known, and if you have a question, ask it. If you prefer some fees to reduce the assessments, tell us that; or if you are willing to pay a higher assessment to prohibit most fees, tell us that. Come to the town hall meeting; we need to hear from you. If you can't come to that, write, call or e-mail a committee member: Michael Kulakofsky at 274-1675 / grampamk@alum.rpi.edu, Clint Fisher at 238-3899 / Clint-Fisher@sbcglobal.net or Sheila Peterson at 532-8365 / sheg1@juno.com.

Facilities Use Committee Report

Facilities Use Committee Report

Presented at the January 16, Club Board Study Session

The committee has held a number of meetings working on our first task, recommendations to the Club Board on the clauses for a new policy to be written on where fees should or should not be charged. We initially agreed that our results should be based on what we decided would be fairest to the community as a whole, what would continue to promote the vibrant Villages lifestyle for which we are known, will not include any fees that cannot be justified on the basis of the facilities use involved and what is practical and doable in the world in which we live. We also agreed that we must do this in the open, gaining as much community input as possible by bringing the majors facilities users into our discussions. A number of groups were invited to have representatives meet with us. At these meetings we informed them of our task, explained what we hoped to accomplish and asked them to go back to their groups to discuss what we had presented and then come back to us with any constructive suggestions they have on how to solve the conflicting interests involved.

We made it clear that all expenses incurred by the Villages amenities had to be paid for out of the club's revenues and that there are basically only two sources of revenue, the uniform per unit monthly operating assessment and users' fees. We also pointed out that there has been a very significant increase over the years in the number of Board-recognized groups and a corresponding increase in the cost of set-up and takedown for their functions, as well as the cost of maintenance and support of the facilities. At the end of the initial meetings, there was generally a favorable response from the group representatives about the way we were doing our job. However, the three largest user groups came back without a single constructive suggestion, but rather with complaints about a variety of things, mostly unrelated to the topic under discussion. We also received almost unanimous statements of "we would prefer to have a few dollars more in the assessment than have user fees." This came not only from the groups we talked to, but also from unsolicited letters and conversations with Villagers.

On the basis of what we heard and the results of our discussions, we have agreed that the Club's facilities are here to be used and enjoyed by the Villagers and that the more they are used, the more they add to the quality of life here. The way things have been done in the past has been generally accepted as what Villagers bought into when they moved into the Villages. Therefore we do not think there should be significant changes made in the way we pay for our amenities. There are some areas of usage that need to be considered, and when the fees policy has been finalized, the committee will enter that area. We will look at possible cost savings and the way conflicting requests for a facility are handled. One of the user groups' written reply stated that they are changing their meeting site from the Conference Room to the Forum or Patio Room to save the need of a special set-up and take down. We will be looking for things like that which can save expenses without anyone giving up anything.

The committee's recommendations for the pertinent clauses in policy statement to be written by the Policy Committee are attached. We hope the Board will direct the Policy Committee to prepare the new policy including these

clauses. Please note that the first clause eliminates any fees not specified in the policy. A case in point is the \$2-per-month fee for owning a golf cart. We can find no justification for this fee. Actually, a non-golfing unit with one car and a golf cart rather than two cars should get a credit (we are not actually proposing that, only making a point). If a two-car unit gets rid of one car and replaces it with a golf cart for local transportation, they will be taking up less parking space around our meeting places, will be reducing traffic on our streets, putting less wear on the street surfaces with a much lighter vehicle, and if it is electric, putting less pollution into the air. This does not affect the golf course trail fee, currently \$15, for black numbered golf carts for use on the golf course as that is part of the golf operation and is included in the 65% that the golfers pay. We do feel that all golf carts should be treated the same as cars so that when a new golf cart is brought into the Villages, there should be the same fee for numbering it, regardless of the number's color, as is charged for putting a bar code sticker on a regular car.

If there is a significant change in our amenities in the future where some new legitimate fee is required, the Board will always have the power to change the policy, but that would require having the change on both a Study Session and a regular Board Meeting agenda which makes it an announced public discussion.

Some possible clauses for fees policy

Some possible clauses for the fees policy

Revised for the 4/5 meeting

By Michael Kulakofsky, chair, Facilities Use Committee

As proposed, the only use or set-up fees that will be charged to Villagers and/or Board-approved groups are those included in the policy.

Cleanup – The existing rule on cleaning up a facility immediately after its use will be enforced. The group that signed out for the facility will be billed for the cost of all clean-up required by the Club's employees that should have been done by the group. The specific items to be cleaned will be posted in each facility. The group will also be charged for any damage done during their use of the facility.

Repair, maintenance and non-emergency assistance – A time and material charge will be assessed for these services to an owner's separate interest property regardless if the services are performed during the day by the maintenance department or after hours by Public Safety. Emergency assistance is defined as assistance required to protect the health and/or property of a resident.

Golf – The entire golf operation shall be handled as a single entity including all golf-related revenue and expenses. The estimated expenses for the coming year, adjusted for the prior year's variance from the estimate, will be split 65% to golfer greens fees and 35% to the per unit assessment.

Exclusive use clubs such as the Stables, the Garden Club and the RV Club – The estimate of expenses for the coming year, adjusted for the prior year's variance from the estimate, shall be paid by the members. There shall also be a reserve for estimated major repairs or enhancements. Over time there shall be neither net revenue nor expenses to the Club from the operations of these groups.

Locked facilities such as the Wood Shop, Arts & Crafts Room and the Fitness Center – There will be a one-time fee per unit for obtaining a key or card or replacement thereof.

Non-Villager use of a facility – A facility use for an event to honor a non-Villager will be considered a non-Villager use as will any event that does not honor a Villager and is attended by more than 10% non-Villagers. The sponsoring Villager or group will be charged a use fee according to the chart of fees approved by the Club Board.

Vehicle Identification – Any vehicle to be kept in the Villages that requires a house number or whose owner wants a bar code shall pay an appropriate one-time fee to have the sticker or decals put onto their vehicle. This fee shall be the same for automobiles and golf carts.

Outside companies that enter the Villages to promote their products or services—If the company is invited by a Board-recognized group as part of a function, such as VMA's Health Fair, the company shall pay a fee to the Club. This

fee will at least cover the cost of any set-up and takedown required for the company. If they are not invited by a Board-recognized group as part of a function, they shall not be allowed in unless special approval is provided by the Club Board.