

**VANDERBILT COMMUNITY ASSOCIATION, INC.  
VANDERBILT COUNTRY CLUB  
BOARD OF DIRECTORS MEETING**

**I. Call to Order:** A meeting of the Vanderbilt Community Association, Inc. Board of Directors convened in the Activities Center at 8250 Danbury Boulevard, Naples, FL, on Thursday, January 16, 2014 at 5:00pm. Notice of this meeting was posted on the Vanderbilt Country Club website.

**II. Establish Quorum: Directors:** Bob Teschke, President; Kent Friedman, Executive Vice President; Bev Gromek, Treasurer; Ron Khachadoorian, Secretary and Jerry Petrarca, Vice President; John Laliberte, General Manager; Jonathan Beers, Director of Finance and Niki Dutton, Membership Director were in attendance. Approximately 14 resident members were present. Noting that a quorum was present, Mr. Teschke called the meeting to order at 5:00pm. Mr. Teschke thanked Mr. Friedman for his years of service. Six years serving on the Board and several years as Board President. We are forever indebted to him for his years of leadership and thankful he is continuing to serve on the Board. Mr. Alan Rowold, who was in the audience, was also thanked for filling a vacancy on the Board under quick notice. Mr. Rowold has been a tremendous help to the Board and will continue to be as he assists with the FMP. Dr. Petrarca was welcomed to the Board. It was noted that the Board is surrounded with people with a lot of knowledge of the Club's history.

**III. Review/Acceptance of Minutes:**

- The January 10, 2013, Board meeting minutes were distributed prior to the meeting to all Board members for their review. Mr. Friedman motioned to accept the minutes as submitted. Mr. Khachadoorian seconded; all were in favor and the motion carried.

**IV. Treasurer's December Financial Summary – Bev Gromek**

Monitoring the operations of the club has been a rather wild ride for 2013, with many over and under budget lines, and a very satisfying surplus for the year of \$33,916. Total club income for the year was \$7.1M which is \$154k more than budgeted. Sales of food and beverages account for most of this surplus and have produced a gross profit of \$77k this year. Expenses were generally lower than budgeted except for the cost of food and beverages along with the payroll expenses incurred to prepare the food and serve all of us. We are pleased with the operations of the Terrace Café and we hope that it can continue to fill our needs during the coming season.

While the inventories of food and beverages remain at about one half of value of the inventories we will carry in the club house, the pro shop inventory is increasing as the golf staff prepares for their opening in January. The tennis shop is also well stocked as we head into season.

Our Balance Sheet reveals that the association has \$2.4M in cash at the end of December. This includes \$1.4M in asset replacement reserves, \$477k in resale and original capital,

and \$433k in the FMP accounts. During December we paid more than \$800k of construction costs and we will begin drawing on our loan in January by borrowing \$415k to cover the December BCBE construction invoice.

The net Accounts Receivable from members is \$194k, which includes the amounts owed on 6 lien units. We are expecting to receive \$27k in January to settle on one of the units, and we continue to monitor and press for settlement on the rest.

There were 3 sales of residences in December bringing the total sales for the year to 62, the most sales in one year since 2006.

2013 has been challenging in many ways, but the care and oversight of our managers has allowed us to complete the year with a moderate surplus and the hope that we are able to do the same in 2014.

Mr. Teschke thanked the staff for managing the budget so well.

Mrs. Gromek then read the following resolution as a motion, “Be it resolved, that in order to comply with the accounting Standards Code #ASC-410-30, and the Florida Statute governing the operations of Master Associations, the Board of Directors of the Vanderbilt Community Association does allocate \$14,857 from the Resale Capital Fund to the Operating Fund. This transfer will keep separate the capital funds from the operating funds of the Association, as required by law”. Mr. Friedman seconded the motion. The Board unanimously approved the resolution.

## **V. General Manager’s Report – written/submitted by John Laliberte, General Manager:**

### **a) Old Business ~ Reports**

1. **2013 “New” Capital & “Asset Replacement” Capital Projects – Final Update:** The 2013 Capital Project updates as highlighted in the following four (4) reports: **(1)** “*2013 New Capital Improvements*”; **(2)** “*2013 Asset Replacement/Reserve Capital Expenditures*”; **(3)** “*2013 Emergency Reserve Capital Expenditures*”; and, **(4)** “*2013 Additional New Capital Improvements*” (funded by *Resale Capital Funds*).

All but one 2013 Capital Projects are completed and appropriately expensed, as approved by the VCA Board. The 2013 Capital Expenditures recap below shows that the combined 2013 capital expenses ~ actual to budget ~ were favorable (or under budget) by \$15,173.00.

### **2013 Capital Fund Projects**

	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
New Capital	\$35,110	\$35,433	\$323

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Asset Replacement Capital	\$216,501	\$229,453	\$12,952
Emergency Reserve Capital	\$32,241	\$32,539	\$299
Additional New Capital	\$98,232	\$99,831	\$1,599
<b>Total</b>	<b>\$382,083</b>	<b>\$397,256</b>	<b>\$15,173</b>

2014 Completion Date	\$32,098	\$97,665	\$65,567
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<b>Total Projects</b>	<b>\$414,181</b>	<b>\$494,921</b>	<b>\$80,740</b>
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Items with 2014 Completion

Dates:

**Reserve Project**

Parking Lot Light Retrofit	\$17,323	\$52,131	\$34,808
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**Resale Capital Projects**

Clubhouse Kitchen Dishwasher	\$9,425	\$19,302	\$9,877
Terrace Café (2) tables & (8) chairs	\$5,350	\$5,350	\$0
Clubhouse Exterior Screening System	\$0	\$20,882	\$20,882

For the **2013 “New” Capital Projects ~ five (5) of the five (5) board-approved projects have been completed Y-T-D.** These projects have been continuously updated and reported on throughout the fiscal year.

For the **2013 Asset Replacement “Reserve” Capital Projects ~ eleven (11) of the board-approved twelve (12) projects have been completed Y-T-D.** These projects have been continuously updated and reported on throughout the fiscal year. The one remaining project is the “Parking Lot Light Retrofit” project, which is now a carryover project to 2014. This project is scheduled to begin on January 20, 2014.

For the **2013 Emergency Reserve Capital Projects ~ five (5) of the board-approved five (5) projects have been completed Y-T-D.** These projects have been continuously updated and reported on throughout the fiscal year.

For the **2013 Additional New Capital Projects ~ seven (7) of the board-approved eight (8) projects have been completed Y-T-D.** These projects have been continuously updated and reported on throughout the fiscal year. The one remaining project is the “Additional Terrace Café Tables (2) & Chairs (8)” project, which will be delivered by Club Design Group at the same time it delivers the new Fitness Center furnishings, tentatively scheduled for January 28, 2014.

2. **VCC Annual “Resales” Comparison Report ~ 2013:** The VCC Annual “Resales” Comparison Report for Vanderbilt Country Club single family home & condo unit sales for 2013 year-end, as compared to the prior eleven (11) years (2002 thru 2012). There were a total of 64 – Resales during the 2013 calendar year, compared to an average of 49 - Re-sales for the previous three years (2012, 2011 & 2010). To summarize, in 2013 there were 64 total Resales, comprised of four (4) bank foreclosures, 14 former tenants, 20 new residents to Vanderbilt, and 26 former VCC owners. The 64 Resales consisted of 7 villas, 8 estate homes, 22 WE carriage homes and 27 WA condos. This represents six (6) additional Resales than the prior year (2012) and 14 more Resales than we anticipated.
3. **VCC “Tenant” Count Report ~ 2013:** The year-end 2013 VCC “Tenant” Count Report, along with a 12-year comparison (re: 2001 thru 2012), as prepared by Niki Dutton, Membership Director. In 2013, there were a total of 193 tenant transfer-use privileges for the year. This represents a 15.7% decrease from the previous three-year average of 229 tenant transfer-use privileges for: 2012 @ 209; 2011 @ 238; and, 2010 @ 241. To summarize, in 2013 we budgeted for 165 tenants (transfer of privileges). The months of January, February and March were budgeted as normal; however, we significantly reduced the expected number of tenants between the months of April thru December. The net result was that we exceeded the projected number of tenants by 28 tenants, thereby totaling 193 tenants for the year. Fourteen (14) former tenants purchased a resale this year in 2013, which tells us there are now 14 less units available on the rental market. The FMP project does not appear to have dramatically impacted the return of tenants.

**b) New Business ~ Other**

1. **New E-Z-GO Fleet of Carts Coming To Vanderbilt:** Vanderbilt Country Club will soon be receiving its new fleet of 60 E-Z-GO golf carts, with scheduled delivery on Thursday, January 23, 2014. This is a standard four-year lease, with the option of rolling over to a new fleet after year three. Several cart features and/or accessories are included in this new fleet: custom black bag cover; standard number decals; two (2) sand buckets; one (1) sand bottle; logos; fold down, tinted windows; pin stripes; spoke wheel covers; upgraded chargers; double message holder; and, battery fill system. The exterior color of the carts is ivory with tan seats and black bag covers.

The following photo of an E-Z-GO cart does not necessarily depict each of the features and/or accessories of the new Vanderbilt cart fleet.



**c) Informational Reports**

- **Golf Revenue Report** – December, 2013
- **Rounds of Golf Report** – December, 2013
- **Golf Revenue Report** – January 1-12, 2014
- **Rounds of Golf Report** – January 1-12, 2014
- **Rover Vehicle – Monthly Mileage Report** – December, 2013

**VI. Old Business**

**a) FMP Update, John Laliberte**

**General Contractor ~ Update**

Craig Miles, BCBE Senior Estimator/Project Manager, reports on the following construction progress being made for Phase 1 (Fitness Center) as it nears completion and Phase 2 (Clubhouse, Pro Shop, Activities Center) for the Vanderbilt project:

**Fitness Center:**

- Construction is nearly complete at Fitness Center. We've had a few unanticipated delays, but we have found solutions to finish the project as timely as possible.
- The main issue of the moisture content in the concrete slab has been rectified with alternative installation methods, as approved by the flooring manufacturers. These flooring items will be installed the week of 1.13.14.
- BCBE will be completing the flooring, base board, mirrored walls, bath accessories and other remaining items shortly, along with receiving the few remaining County and final fire inspections.
- We are pushing to get the CO by the end of next week 1.25.14.
- We anticipate 100% completion by the end of the month.
- BCBE appreciates your continued cooperation with the inconveniences of construction, i.e. parking, noise, dust, etc.

**Clubhouse/Pro Shop & Activity Center Building:**

- Work is progressing as planned in all Phase 2 areas, as we tackle those unexpected items that present themselves, especially with a demolition project.
- FPL is playing a major roll with the Clubhouse expansion, specifically at the South end, due to the existing transformer. They are installing a temporary feed in order for BCBE to complete the required storm drainage improvements. This will be completed by month's end.
- The Activities Building is ready for cabinetry and mechanical trims, along with new carpet. These items will be installed next and the remodel work in this area will be completed soon.
- The Pro Shop renovations are nearing completion, as carpet and a few other trims remain.
- Our goal is to complete the Pro Shop by the end January 2014, with the new paver courtyard completion shortly thereafter. Concrete removal and sub grade work will occur one week prior to the installation of the new paver courtyard between the Pro Shop and Cart Barn structures.
- BCBE is working on obtaining a temporary CO for the Pro Shop, as on-site superintendent Tony is finalizing the last remaining items with the County building department and the Fire Marshall, in order to obtain this temporary CO.
- The new roof demolition and new dry-in is complete with the new roof tile installation nearly complete. 100% completion of the Clubhouse roof will not be until late February due to the new roof expansion.
- The Clubhouse is moving forward with underground plumbing, HVAC, electric and new interior framing as planned along with structural concrete and masonry for the newly expanded areas. The new retaining wall at the rear of Clubhouse will be starting in the next few weeks as well.
- We are looking forward to reducing the Vanderbilt campus to only one active job site ~ that being the Clubhouse ~ in the near future.
- We are working closely with management and the board to minimize the inconveniences around the perimeter of the Activities Building, Cart Barn and Clubhouse. We greatly appreciate your patience during the construction process.
- We ask that you please take extreme caution in the parking lots, cart paths and sidewalks around these areas. BCBE has a very active site and want to ensure everyone's safety, both inside the project limits and outside.

BCBE reports the following weekly progress for this current week ending January 18, 2014:

### **Fitness Center Weekly Progress 1.18.14**

#### **This week**

- Install all seven (7) HDTV's ~ five (5) in the Equipment Room; two (2) in the Aerobics Room
  - Install surveillance cameras
    - Determine the manufacturer "warranty-acceptable" underlayment moisture barrier to be installed in the

Aerobics Room wood bamboo flooring & the Equipment Room rubber flooring

- Finish installing wall tile in the locker room showers
  - Deliver of flooring materials
    - Install carpet in both suites
      - Bead blast the concrete floor in the Equipment Room ~ for the rubber floor installation
        - Stripe the Fitness Center parking spaces

### **Look ahead**

- Finish installing tile and grout in both locker room floors & showers
  - Install vapor barrier primer in the Equipment Room and Aerobics Room
    - Begin installation of all finish floors ~ for Aerobics Room and Equipment Room
      - Touch-up and finish paint the interior walls
        - Fire inspection final
          - Obtain CO for the Fitness Center

### **Clubhouse/Pro Shop/Activities Center/Cart Barn Weekly Progress 1.18.13**

### **This week**

- Install & stain interior doors in the Pro Shop
  - Continue metal framing walls & ceilings in Clubhouse ~ new Vanderbilt Room, Admin Office, and Waterford & Wedgewood Rooms
    - Install recessed can lighting in the new Pro Shop office wing hallway
      - Finish painting and paint punch-out in the Pro Shop
        - Install window frames & windows in the Clubhouse offices
          - Pour footers & concrete slab for the Main Bar and Vista Room (bay window only) expansions
            - Finish installing roof sheeting & parapet wall around the flat roof of the new main kitchen freezer expansion

- Install split A/C system for both new Activities Center bathrooms
- Finish tile & grout installation in the Activities restrooms
  - Paint the Activities Center existing walls

### **Look ahead**

- Install carpet in the Pro Shop
  - Install hardware on all doors in the Pro shop
  - Continue installing HVAC duct work in the Clubhouse
  - Install cabinets & counter tops in the new Activities Center bathrooms, along with electric trim
    - Finalize the paver delivery & installation schedule, including: concrete removal of cart staging/bag drop area, low voltage underground install and cart staging area paver install ~ and begin the process, including plan to re-direct golf cart traffic
      - Kitchen equipment supplier's underground inspection; followed by MEP inspection & pouring of new concrete slab in the main kitchen
        - Install Pro Shop counter; measure for granite top & fabricate thru Fusion
          - Install wood base boards in the Activities Center hallways
            - Finish painting existing Activities Center doors & trim



## **Architect's Update**

Dave Humphrey, our Architect with Humphrey-Rosal Architects, summarizes the activities occurring during the last month for the Vanderbilt "Phase 1" and "Phase 2" of the FMP Project:

### **Fitness Center ~**

- Ceiling grid has been installed.
- The concrete slab topping in the aerobics room has been saw cut for additional control/expansion joints.
- Televisions have been installed in both the Aerobics Room and Fitness Equipment Room.
- The flooring for the Aerobics Room and Fitness Equipment Room is on site and being acclimated prior to installation.
- Cabinetry and lockers have been installed throughout.
- Countertops have been put in place.
- Floor and wall tile is being completed in the restrooms and showers.
- Wall tile in the shower areas has been completed.
- Interior wall and door painting has been completed.
- The ceiling fans have been installed throughout.
- Interior building signage has been allied to walls as required.
- Concrete sidewalk is in place.
- Landscaping is being completed.
- The cleaning crew is starting on final clean throughout.

### **Activities Building ~**

- The new roof has been completed
- The interior drywall is installed and has been finished.
- Toilet rooms have been painted.
- Floor tile and base is installed in the restrooms.
- HVAC ceiling units are installed in the restrooms awaiting wood trim.

### **Pro Shop Building**

- The new roof has been completed, with the exception of the existing roof vent removal.
- Exterior painting was completed.
- HVAC units were installed and connected to ductwork.
- The lighting, HVAC, and fire sprinklers have been installed and the acoustical ceiling tiles put in place.
- The interior wood trim, casing and base is complete.
- Interior painting has been finalized.
- Bathroom toilet partitions have been reinstalled.

### **Clubhouse Building ~**

- The concrete block at the administration area and kitchen is complete.
- Trusses in those areas have been installed with plywood roof sheathing in place along with fascia.
- Some window openings have had wood bucks installed and waterproofed and window frames installed.
- HVAC duct board is being installed in the overhead truss spaces.
- The slab extension at the bar area and dining room bay was formed and poured and concrete block in this area is being started.
- The underground in the kitchen area is in place in the existing and new areas. The equipment supplier has inspected the piping and it is now ready to be covered and the slab poured.
- The interior electrical rough has been started in the administration area, restrooms, meeting rooms and private dining room.
- Shop drawings continue to be produced and sent to each respective consultant for review.

### **Interior Design Team ~ Update**

The 24th I.D. meeting is scheduled for later this month on January 27, 2014. In the meantime, interior furniture & accessories delivery and installation schedules are being finalized for the Fitness Center, Pro Shop and Activities Center. The following update is provided by our interior designer, Lisa Miles-Briggs, with Club Design Group:

### **INTERIOR DESIGN UPDATE 1.14.14**

#### **FITNESS CENTER**

- 2' fan down rods have been ordered to switch out with the 4' down rods.
- Windows measured for roller shades.
- Furnishings rescheduled to be installed the week of 1.20.14 ~ providing site is ready.

#### **ACTIVITIES ROOM & RESTROOMS**

- Existing restroom wall sconces and mirrors selected to be used from existing clubhouse.
- Existing art & restroom accessories to be selected & reused from existing clubhouse.
- Existing storage console selected to be reused from clubhouse.
- Restrooms laminate partitions color selected.
- Existing windows measured for roller shades.
- The opening where the existing entry doors are changing to a window will be measured later.
- The opening where the existing window is changing to a door will be measured later.

## PRO SHOP

- Windows measured for roller shades in the office area.
- Pro shop windows will need to have drywall complete before they can be measured for roller shades.
- Existing restroom art & mirrors to be reinstalled.
- Accessories to be reused from the clubhouse.

## CLUBHOUSE & TERRACE

- Granite for the bar selected, approved and put on hold ready to be purchased and stored at Fusion.
- Some existing furnishings selected and placed for reuse.
- Wall mount computer in hallway with a piece of furniture below it.
- Exterior light fixture provided by GC to be specified.
- Wall sconce heights to be calculated once HRA drawings and elevations are received.

### **Kitchen Design Team ~ Update**

Continuing the preparation for installing kitchen equipment, there have been two recent site visits by Fishman & Associates' kitchen equipment supplier representative, Marisa Mangani. On January 2<sup>nd</sup>, she met with the plumbing and electrical contractors to verify the rough ins. Based on her review, six underground drain locations were shifted to better comply with underground drawings, and it was determined that the location of a concrete footer necessitated modification of the floor trough for the ice maker. The location of the beer and soda lines from the cooler to the bars was identified for review in a subsequent site visit. One electrical stub, under the Chef's counter, was determined to be 5' off and adjusted. These adjustments were required to facilitate future hookups of equipment.

On January 10th, Marisa held a site meeting with the hood installers, Air Biz. This was to determine that the drawings and physical layout of the hoods and vents can be installed as planned. The beer lines and soda lines from the cooler to the bars was further reviewed and issues resolved with regard to location.

In pre-planning for the hood installer visit, it was determined that upsized exhaust fans would be needed for the hoods since straight line venting to the roof was not possible. An additional \$4,763.00 cost was in part offset by a freight credit (voluntarily credited to VCC by Fishman) and a credit for unneeded field wrappers of the hoods since the ceiling height is less than 9'. This resulted in a net contingency cost of \$2,957.56.

While most kitchen equipment purchased is being staged in a Fishman warehouse, some equipment has begun to arrive. Eight flat curb 16 gauge galvanized steel units arrived on December 23rd for installation on the roof.

The kitchen expansion for the walk-in freezers continues with the pouring of the concrete floor and the roof substructure in place.

### **FMP Project Financial Update January 13, 2014**

During the month of December, the accounting department received zero requests from members to alter their unit's billing method of the FMP Project assessment, resulting in no additional accelerated billings. There are 284 fully paid units, 80 with the five-year split billing option, bringing the total number of units that have opted for one of the three (3) upfront billing options to 364 (or 45.5%) ~ with the remaining 436 units utilizing the quarterly billing method. This totals \$3,764,510 of FMP Project special assessments billed as of 1/13/14, with \$46,916 recognized in 2011, \$3,026,583 in 2012, \$580,171 in 2013 and \$110,840 in 2014. The total cash inflow to the fund equates to \$4,430,653 once the \$640,885 of VCA contributed funds and \$25,258 of bank interest is added. There has been \$4,554,003 of recorded expense, including \$219,096 of BCBE retainage. An FMP recap shows that 14% of these expenses are considered Soft Costs ~ including architect, civil engineering, kitchen design and permit fees; 20% Furniture, Fixtures and Equipment (FF&E); and 66% Construction costs. The current available fund balance as of January 13, 2014, is \$291,387, after adding the value of our first Wells Fargo loan draw of \$414,738. This draw is currently in process and should be funded this week.

### **VIII. Upcoming Meetings & Important Dates**

a) Board Meeting, Thursday, February 20, 2014 at 5:00pm

### **IX. Adjournment**

Mrs. Gromek made a motion to adjourn the meeting at 5:53pm. Mr. Khachadoorian seconded the motion. All were in favor and the meeting was adjourned.

Respectfully submitted,

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Niki Dutton  
Membership Director, Vanderbilt Country Club

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Ron Khachadoorian  
Secretary, VCA Board of Directors