



THE GLENDALE LYCEUM

ANNUAL REPORT

2018

Board of Directors 2018

President-Jay Wheeler

ABC, Secretary & Marketing-Jen Doerger

Membership-Kelly Cengia

Education & Drama-Paige Gramaglia

Entertainment-Tara Maddock

House & Grounds-Carty Hall

Pool, Youth-Cordelia Edmiston

Sports-Scott Vaaler

Treasurer-Alisha Curtis

President's Report

The state of the Lyceum is sound. The board and staff of the Lyceum have had a productive and efficient year. Like my first term in 2017, we were blessed in 2018 by a year absent of unpleasant surprises or large unexpected expenses. (Jinx!)

Membership did well in 2018, we recruited 15 new senior members, 14 new junior members and had 2 reinstatements. While somewhat offset by losses in membership, it is always great to see so many new families flowing into the Lyceum. The party held by the Kelly Cengia, Membership Director, to welcome the new families, their sponsors and the directors was quite an occasion.

As detailed in their respective sections of this Annual Report, under the auspices of Directors Maddock, Edmiston and Gramaglia, the Lyceum hosted many events in 2018, both inside our beautiful facility and on our grounds. We had a great mix of long-standing events for young and old. As well as new events like the sultry "A Night in Havanna" cocktail party. Our Dinner of the Month program covered a wide range of topics. My personal favorite was Donzietti's comic opera "The Elixir of Love", updated and staged at Skyline Chili, and performed in our very own ballroom.

The Sports program under Director Vaaler had another busy year. In particular, our paddle courts see regular usage throughout the year, both from our own members and from league play. Our racquet membership numbers are holding steady at close to 12% of our overall membership and continue to provide an important contribution to our income statement.

House and Grounds dealt with a litany of mostly small issues as detailed in that section of this report. Director Hall continued the tradition of being a hands on H&G Director – even going so far as to deal with a flooding event in the boiler room on New Year's Eve, assisted by his wife Sally. Despite the "surprise" nature of most of these issues, we were still within 4% of our budget for this critical aspect of keeping the Lyceum beautiful and available for our use. If you total the expenses for House and Grounds together with our capital expenses for the year, our total spend on the building and equipment were actually slightly less than budgeted.

Turning to the non-member rental aspect of our activities, 2018 was a great year for the Lyceum. Rental income from all sources topped \$200,000, a solid 18% higher than our forecast. Our marketing and social media efforts led by Director Doerger, Cindy Taylor and Devon Bitzer Davis continue to pay off handsomely. 2019 is already looking solid as well. Please refer to the ABC, Secretary and Marketing report for details.

Director Curtis's Treasurer Report will take you into the details, but in addition to the numbers cited above, I'd like to call out that we again did not need to sell any stock this year, whether from the Endowment or the Legacy Fund, to cover our operational expenses and capital improvements. On top of that, we were able to retire approximately \$75,000 in debt. We still

have a way to go, but our Line of Credit now stands below \$200,000. Please refer to the Treasurer's Report for detail.

Turning to dues, the main concern of this board and the four previous boards on which I've served has been to converge to an income model where dues, rentals and dividends can reasonably be expected to cover expenses without being dependent on unreasonable rental expectations, the sale of stock or taking on additional debt. As a result of that philosophy, dues have increased between 5 and 7% over each of the last several years. This year, we are cautiously hopeful that we have reached a reasonable equilibrium, and as such we limited the 2019 dues adjustment to the trailing inflation rate of 2.5%.

Please always bear in mind when thinking about Lyceum finances, that the true cost of our fine institution is truly higher than official accounting figures reflect. Volunteers are the lifeblood of our institution. Their generous donation of time and materials mean that the true cost of events and projects large and small at the Lyceum are always higher than the numbers would seem to indicate. If we were to significantly move away from our principal of being a volunteer-centric club, your dues and event fees would have to increase markedly.

Speaking of which, if you volunteered in 2018, thank you so much for your support of the Lyceum. If you did not, please come forward in 2019 – there is no need to wait to be asked!

And now onto recognition of four key folks who are leaving their posts in 2019. First up, we have the three Directors who complete their term with the annual meeting:

- **Kelly Cengia** served as Director of Pool and Youth in 2016 and 2017 – both very demanding positions that require a lot more patience and time than I think most people realize. And in 2018, Kelly took on Membership, a very critical post. As I've already noted, due to her efforts building on those of her predecessor, we had great results in membership this year. In addition to Kelly's official duties, she has also effectively been our in-house decorator. Perhaps most notably, she led the design and refurbishment of our bridal suite down to the lighting, furniture and curtains. She is even now working redoing the wallpaper on the main floor restroom.
- Speaking of predecessors, **Tara Maddock** ably ran the post of Membership in 2017. In addition, Tara served as Director of Entertainment in 2016 and 2018 – a job that I think of us as akin to herding cats. The amount of planning and recruitment of volunteers needed to pull off TGIFs, major holidays and other special events requires a special type of stamina. Tara somehow remained cheerful thru it all.
- Last, but certainly not least, **Jen Doerger** is retiring from the board after three years as Director of Audits, Bylaws and Contracts. Selected achievements include working with Cindy to codify and simplify our various rental contracts and working with Tara and others to update our Member Handbook and to incorporate it into our member

website. Not to mention leadership and countless hours on marketing and social media activities not even officially part of her post. Even before becoming a director, for years Jen composed The Forum until recently passing that duty off to Steve Foster who continues her standards of excellence.

Although I was unsuccessful at convincing these three directors to serve a second term starting in 2019, I hope they will all consider serving on the board again in the future – their talents and hard work will be missed.

Of course, the biggest departure in 2019 from an official capacity will be Cindy Taylor. Cindy has been our General Manager these past 10+ years. Cindy has been tireless and dedicated to preserving the essential nature of the Lyceum even as she helped guide the Lyceum as it went thru a period of transformation. Especially with respect to our increased focus on non-member rentals to supplement our finances. She was also instrumental in our Racquet Membership program, another key part of our income in recent years. And she ably trained and mentored Devon Bitzer Davis, who took over non-member rentals. Thru the years, in addition to traditional GM duties, Cindy has also performed many of the duties we now separate out into event and facilities manager roles.

In addition, we have Cindy to thank for the originating a number of Lyceum traditions, including the Past Presidents' Party, The President's Award and the Volunteer Appreciation Party. Plus, she championed both the outdoor "Wedding Tree" and the transformation of the upstairs apartment into our Bridal Suite. And, I understand that she and Mike Fasoldt are responsible for bringing back to life my favorite feature of the Lyceum, the front fireplace.

Having been a Lyceum member her entire life, and a past board member and President to boot, Cindy's are a special set of skills and insights that will be impossible to reproduce. I hope you will join me in wishing Cindy the best of success in her newly chosen career in real estate. I am sure her strong personal connections throughout Glendale and Greater Cincinnati plus her tireless stamina and ethics will pay off handsomely in this new venture.

On a directly related note, I also ask your patience with the inevitable hiccups and rough spots as we transition to a new General Manager in the near future.

In closing, thank you to the 2018 Board for a great year. Thank you to my wife for all her work in 2018 on the Directors' Ball, the Past Presidents' Party, the Directors' Dinner, sportswear, Christmas cards and more. And thank you to the entire membership for the opportunity to serve a second term as Lyceum President in 2018.

Respectfully submitted,

Jay Wheeler

January 28th, 2018

ABC/Secretary & Marketing Report

2018 was another busy year for this Board position. Accomplished 2018 goals for this position included:

- Clearly organize files and records for 2018, instituting new Drive folders for all Director positions to keep consistency moving forward.
- Completion of a member video to showcase the venue to potential new members, thanks to significant help from Bill Skyllingstad and Mike McConnell.
- Implement a more permanent solution for wedding-related social media upkeep, moving it out from under this Board position. It is now the responsibility of the Venue Coordinator, Devon Davis.
- Developed and distributed a survey to membership to gather information to guide strategic decision making in 2019. Detailed analysis was presented to Board.
- With the help of Director Maddock, President Wheeler, and GM Taylor, all existing job descriptions for Lyceum positions were analyzed. New descriptions were created, which streamlined and reorganized responsibilities to be most efficient and cost effective.
- Job descriptions were also created for each Board position, so that incoming Board members have a clearer idea of the responsibilities and tasks required of them.

Audits

On January 9, 2019, General Manager Cindy Taylor and Secretary Jennifer Doerger conducted an annual audit of the safe, located in Lyceum basement and found all appropriate documents present.

Additionally, an audit of the 2018 minutes against the By-laws was conducted by Director Doerger on January 12, 2019, and the Secretary has confirmed that there were no By-law changes in 2018.

Finally, an audit of the 2018 minutes, board reports, and supporting documents was conducted on January 12, 2019 by Director Doerger, and all documents are present and accounted for on Google Drive. Copies of these files were also added to the flash drive in the Lyceum safe.

By-laws

There were no changes to the By-laws in 2018.

Contracts

There is nothing but extremely positive news to report related to non-member rentals. 2018 rental income (cash basis, including all types of rentals) was \$201,580; 45% higher than 2017 and 19% higher than the \$169,538 budget projection. Rental expense was very slightly under budget.

The vast majority of our rental income comes from non-member wedding rentals, so we have always included a more detailed view of those rentals in the annual report. Last year, we simplified the comparisons of non-member wedding rental revenue from year-to-year, using an accrual basis accounting method.

Using the accrual basis comparison, non-member wedding rental revenue for 2018 was \$166,556.34, which as detailed in the chart below, is significantly higher than any year listed. This is due to a full year of passive income from catering and linen rental service charges, hourly staff fee that is now charged to all rentals, and rental of our own draping.

The full impact of the 2017 decision to adjust pricing and implement service charges (bringing us in line with other venues of our caliber) can be seen when comparing the non-member wedding rentals in 2018 to 2015 and 2013. Number of rentals was lower, but the revenue in 2018 was 96% higher than 2015 and 61% higher than 2013. See charts below for detail.

NUMBER OF RENTALS

| Table 1 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|----------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Member | 34 | 29 | 24 | 31 | 29 | 25 |
| Non-Member | 22 | 16 | 20 | 17 | 15 | 19 |
| Business/Non Profit | 5 | 6 | 8 | 7 | 10 | 3 |
| Pavilion | 6 | 14 | 10 | 11 | 10 | 7 |
| Pub | -- | 13 | 15 | 12 | 4 | 8 |
| Total Rentals | 67 | 78 | 77 | 78 | 68 | 62 |

REVENUE GENERATED FROM NON-MEMBER WEDDING RENTALS (Row 2; Accrual basis)

| Table 2 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|----------------------|------------------|-----------------|-----------------|-----------------|-----------------|------------------|
| Total Rentals | \$103,700 | \$69,200 | \$85,000 | \$72,950 | \$95,319 | \$166,555 |

2018 VS. 2017 REVENUE BREAKDOWN

| Year | Rental Fee | Caterer Service Charge | Linen Service Charge | Staff Fee | Total |
|-------------|-------------------|-------------------------------|-----------------------------|------------------|------------------|
| 2017 | \$78,100 | \$13,489 | \$549 | \$3,181 | \$95,319 |
| 2018 | \$132,005 | \$22,646 | \$1,134 | \$10,770 | \$166,555 |

Non-member wedding rentals are strong for 2019, and we expect this number to be the same or slightly higher than 2018. Even better news is that the average Rental Fee is averaging just over \$7,000 per rental, which is approximately \$700 higher per rental than 2018. We also have two weddings already booked for 2020.

Marketing:

Strategic initiatives implemented by the Marketing Board Director in 2018:

- Created a Membership Video to assist with showcasing the club to potential new members.
- Expansion of photography database and reorganization to capture vendor names and dates for ease of future use.
- Successfully turned over all social media platforms related to non-member rentals to Venue Coordinator Devon Davis.
- Developed and distributed a survey to membership to guide 2019 decision making. We obtained a 54% response rate (157 responses), which isn't statistically perfect but still provided us with beneficial insights. Please look for an article in an upcoming Forum explaining more about findings.

Respectfully submitted,

Jennifer Doerger,

ABC/Secretary/Marketing, Glendale Lyceum

Membership Report

The Glendale Lyceum has enjoyed a new wave on members this year. In total we have 15 new adult members and 11 new junior members. Special thanks to our members who sponsored our newcomers and to all of you who reached out to new neighbors and prospective members. It is that welcoming spirit that makes the Lyceum such a special place.

Recruitment activities for the Lyceum included a table at the HWB pancake breakfast, the first TGIF and Lyceum Open House, tours, reaching out to new neighbors throughout the TGIF season, and a welcome party for our new members and their sponsors. The Membership video spearheaded by Jen Doerger and Bill Skyllinstad and narrated by Mike McConnell came in very handy in responding to all of our website generated inquiries. No doubt it will be a useful membership recruitment tool for years to come.

At the end of 2018, the Glendale Lyceum membership totals 437 members which include 387 full members and 50 racquet only members. As stated above we have 15 new senior members and 11 new junior memberships and three children (under the age of five). Over the course of the year we received 9 senior resignations, 1 retired resignation and 7 junior resignations. Most of our junior resignations include those turning 23 years of age and choosing not to step up to a full membership. The main reason for senior resignation continues to be moving.

- New Members: 15 senior members, 14 junior members
- Reinstatements: 2 senior members
- Resignations: 11 senior members, 1 retired, 9 junior
- Deaths: 5
- Change in Status: 3

It is with great fondness that we remember the contributions, talents and friendships of our honorary members that have passed away this year, Dewey Huff, Sugi Stewart, Betsy Kurlin, Rosalee Pancoast, and Scott Brinker.

We all share in the responsibility and privilege of carrying on the traditions and merriment of the Lyceum. Thank you for giving me the opportunity to serve as your Membership Director this year. I have enjoyed promoting the Lyceum and getting to know its newest members.

Respectfully Submitted,
Kelly Cengia

Education and Drama Dinner of the Month, Book Club, and Dinner Club

2018 was a successful year for Education and Drama events. The Dinner of the Month (DoM) programs, Drama performances, Book Club discussions, and Dinner Club themes provided interesting and creative opportunities to engage in a variety of fun social activities. These events were made possible by the generous volunteers of the Lyceum membership.

2018 Dinner of the Month Presentations

| Date | Topic | Presenter(s) |
|-----------|---|--|
| February | Christmas with Anton | Joe D'Amato: Writer & Director and The Lyceum Drama Club |
| March | Murder Most Green - Irish Themed Murder Mystery Game | Lyceum Actors: Joe D'Amato, Stephen Geary, Mike McConnell, Jack Murray, Jen Schmahl, Lisa Spaulding, Jay Wheeler, Ralph Winterhalter, Bagpiper: Gerald Fritsch |
| April | Cincinnati Opera - The Elixir of Love | Kemper Florin & Cincinnati Opera Outreach Singers - A love triangle set in a Cincinnati Skyline |
| September | BBQ and March 1st Brewing & Distilling | Mark Stuhlreyer (Owner & Proprietor, March First Brewing & Distilling) & Chris Paquette - presentation on the Microbrewery business including a beer & whiskey tasting |
| October | Society for the Preservation of Music Hall - Evolution of an Icon | Ramona Toussaint - educated on the history, regional impact and renovation of Music Hall |
| December | Holiday Caroling | Christmas Carols and music by Ellen Godbey |

Book Club

The Lyceum Book Club read and discussed eleven books during 2018. These group discussions are vibrant and respectful covering a variety of topics presented in the literary works. The Book Club meets the first Wednesday of every month and is open to anyone that enjoys reading. If you are interested in participating contact Judy Skillingstad to be added to the email list. The book selections for 2018 and 2019 are listed below.

Glendale Lyceum Book Club - 2018 Reading List

| Date | Book | Author | Discussion Leaders |
|------------|--------------------------|---------------------|-----------------------------------|
| January 3 | The Widow of Wall Street | Randy, Susan Meyers | Linda D'Amato & Judy Skillingstad |
| February 7 | Still Life | Louise Penny | Pat Becker & Carol Muntz |
| March 7 | Disconnected | Tom Kersting | Jenni Babiak & Laurie Burnham |
| April 4 | Manhattan Beach | Jennifer Egan | Jennifer Keelor & Jean Macejko |
| May 2 | My Reading Life | Pat Conroy | Eunie Abel & Susan Armstrong |

| | | | |
|-------------|------------------------------|---------------------------|--------------------------------------|
| June 6 | Picking Cotton | Jennifer Thompson-Caninno | Candi Caress & Angie Larimer |
| July 11 | Brit Marie Was Here | Frederik Backman | Jennifer Keelor & Irina Kegg |
| August 1 | The Professor and the Madman | Simon Winchester | Need 2 Co-Hosts |
| September 5 | A Gentleman in Moscow | Amor Towles | Maria Denny & Anne Foster |
| October 3 | Tess of the D'Urbervilles | Thomas Hardy | Need 2 Co-Hosts |
| November 7 | The Other Einstein | Marie Benedict | Jenni Babiak & Candi Caress |
| December 5 | Planning Party | 2019 Book Selections | All bring appetizer, wine or dessert |

Glendale Lyceum Book Club – 2019 Reading List

| Date | Book | Author | Discussion Leaders |
|-------------|-------------------------------------|-----------------------|--------------------------------------|
| January 2 | A Tree Grows in Brooklyn | Betty Smith | Linda D'Amato & Judy Skillingstad |
| February 6 | Little Fires Everywhere | Celeste Ng | Anne Foster & Susan Swaine |
| March 6 | Beneath the Scarlet Sky | Mark Sullivan | Jenni Babiak & Maria Denny |
| April 3 | When Books Went To War | Molly Guptill Manning | Alene Rice & Judy Skillingstad |
| May 1 | Educated | Tara Westover | Susan Armstrong & Angie Larimer |
| June 10 | No Police Like Home | Dan Andriacco | Linda D'Amato & Alene Rice |
| July 10 | Eleanor Oliphant is Completely Fine | Gail Honeyman | Anne Foster & Angie Larimer |
| August 7 | What My Heart Wants to Tell | Verna Mae Sloan | Maria Denny & Irina Kegg |
| September 4 | Born A Crime | Trevor Noah | Susan Armstrong & Pat Becker |
| October 2 | Implosion | Elizabeth Garber | Eunie Abel & Susan Swaine |
| November 6 | Need To Know | Karen Cleveland | Candi Caress & Laurie Burnham |
| December 4 | Planning Party | 2020 Book Selections | All bring appetizer, wine or dessert |

Dinner Club

The Dinner Club hosts four themed dinners between September – March. Currently, the dinner is hosted by an 8-10 team members cooking for approximately 30 people. The duties of the host team include: creating a theme, plan the menu, optional tasting party, sending invitations, provide copies of the recipes, setup and cleanup for \$30/person. If you are interested in joining in on the food and fun contact Laurie Burnham. The 2018 - 2019 dinner themes are listed below.

Dinner Club Themes 2018 - 2019

| Date | Theme | Committee |
|----------------|---------------------------------------|---|
| September 30th | Hurricane Relief | Nancy & Randy Green, Anne & Steve Foster, Angie & Tom Larimer, Anne & John Vaill, Elaine & Bob Eidson |
| November 8th | Mark Twain - Life on the Mississippi | Jenni & Jeff Babiak, Emily & Derek Phipps, Susan & Bob Swaine, Jody Skowronek & Robert Dick, Sandi Baker |
| January 27th | Travel To Switzerland - Fondue & More | Laurie & Mike Burnham, Cindy Taylor & Beth Lauter, Heather & Steve Geary, Linda & Joe Moravec, Karen & Mark Reder |
| March 10th | TBD | Judy & Bill Skyllingstad, Maria & Bob Denny, Sue & Jim Worachek, Lori & Kevin Malloy |

A sincere thanks to all the volunteers who make these events possible.

Respectfully submitted,

K. Paige Williams-Gramaglia
Education and Drama Director

Entertainment Report

The Glendale Lyceum's social events bring us together to enjoy a burger or hotdog at a TGIF cookout, celebrate summer holidays at picnics, and decorate the Christmas Tree in the library – all while enjoying the company of neighbors and friends. All of these are possible, at low cost, because of our member volunteers! The ineffable spirit of the Lyceum is found in working on a committee to put on the Superbowl Party, in creating a fun themed cocktail party, or cooking for a TGIF. Thank you to each of our member volunteers for your willingness to join a committee and work hard, donate, and make each event fun and enjoyable!

The events that fall under Entertainment Director for the Glendale Lyceum include the summer TGIFs and the holiday picnics on Memorial Day, July 4th, and Labor Day. In addition, the Entertainment Director is responsible for 7-10 additional events per year. There are several events which rotate and occur every other year or so, these include the Spring Cocktail Party (A Night in Havana this year), Farm-to-Table al fresco fine dining event (look for its return in 2019), and the Christmas Tea. The table included below summarizes the entertainment events for 2018.

In 2018, we initiated several new items for Entertainment events. First, we contracted with Mosquito Joe for services to reduce mosquitos for the outdoor areas of Tennis Veranda & Courts, Pavilion, Pool, Paddle Courts and Meadow. It was successful in eliminating mosquito bites. Second, we began the policy of committees eat for free for the summer TGIF cookouts, seasonal TGIFs (Chili Fest) and three Holiday Picnics (Memorial Day, July 4th & Labor Day). This was well-received by our members as a way to recognize the hard work and time commitment when working on a committee. Third, we sourced all TGIF grilling meats and buns from Humberts Meats to enhance the quality of food served. It was well received by TGIF attendees.

| | | | |
|---|----------------------------------|----|---|
| Super Bowl Party | Sunday, February 4 th | 28 | Bonhaus, Green, Malloy, Skillingstad, Worachek |
| Valentine's Day Wine-Pairing Dinner: La Petite Pierre catered fine-dining, 5 course meal, each course with a wine pairing | Saturday, February 10 | 31 | Doerger, Maddock, and staff assistance from Cindy Taylor and David Payne |
| Volunteer Appreciation Party | Friday, March 3 | 60 | Hosted by Board of Directors |
| March Madness in the Pub; BYOB & Appetizers | Saturday, March 31 | 22 | Keelor, Geary |
| Spring Cocktail Party - A night in Havana | Saturday, May 12 | 63 | Amongero, Burnham, Curtis, Fehrenbach, Maddock, Monzel, O'Brien, Phipps, Schmahl, Velleca |

| | | | |
|--|---------------------|------|---|
| First TGIF & Open House | Friday, May 25 | 125 | Breidenstein, Honerlaw, Karbowsky, Phillips, Taylor, Vaaler |
| TGIF cookouts - 12 events; Fridays between Memorial Day to Labor Day | Fridays | 548 | All committees – see lists in Forum Newsletter |
| Memorial Day Picnic | Monday, May 28 | 127 | Bonhaus, Denny, Geary, Huth, Swaine, Todd |
| July 4th Picnic | Wednesday, July 4 | 111 | Keelor, Moravec, Worachek, Visscher |
| Labor Day Picnic | Monday, September | 117 | Bonhaus, Godbey, Lofty, Vaaler |
| Chili Fest TGIF, October | Friday, October 12 | 62 | Amongero, Maddock, Schmahl, Sykes, Velleca |
| Christmas Tree-Trimming Party; Invitation only to frequent volunteers and new members in 2018 | Friday, November 30 | 56 | Hosted by Board of Directors |
| Total Numbers in 2018: | | 1350 | |

Respectfully Submitted,

Tara Maddock
2018 Entertainment Director

House & Grounds

Fortunately, 2018 was a quiet year for Building and Grounds. We had our share of breakdowns and repairs but most were maintenance issues which we were able to resolve without too many headaches.

- The kitchen range exhaust system blower (original, circa 1960's) died. We had an estimate to replace the entire system for \$10,000.00 or replace the 2 blower motors for \$2400.00. Both motors were replaced and we hope to get another 50 years out of them.

- The old kitchen loading dock was falling apart. David Payne and I replaced all the deck boards. All the joists and supports looked to be in good condition and didn't need to be replaced.
- There were problems with the Library furnace. The inducer motor and the pressure switch both needed to be replaced. The cost was approximately \$1000.00
- We had a pool emergency the day before Memorial Day when a handle broke on the pool backwash system which would have prevented us from cleaning the pool. We were able to quickly find a replacement, have it overnighted and David installed it the next day.
- During inspection, Zimmer discovered bad burners and a failing motor on the ballroom/sunroom furnace. The burners have been replaced (\$995). They were able to lubricate and quiet the motor. We've opted to not replace the motor yet (\$1525) hoping to get another year or two out of it.
- The big curtain in the library fell during a busy wedding week. It took down one of the wall sconces with it. We reattached the light fixture and did a little wall repair. We rehung the big heavy (50 lb.) rod and curtain only to have it fall again. To ensure that it remains in place, we reinstalled it using two big angle iron brackets. Hopefully, we'll have no worries about it falling again.
- The sump pump at the bottom of the front steps to the basement was close to overflowing several times. This apparently pumps both storm/ground water and sanitary effluent out of the building so this pump has to work. Roto Rooter was called and cleaned out that line. We continue to have the sump pump high level alarm ring so we will continue to monitor it. We discovered on New Year's Eve during a heavy all day rain that a downspout on the SE corner of the building was overflowing. Groundwater was flooding the foundation and pouring into the basement. Roto Rooter came and spent half a day trying to determine where the blockage was. At one point they thought the plumbing under the driveway was done improperly and we'd have to excavate the driveway to fix it! Thankfully they were eventually able to find the clog and unclog it. I'm hoping this will eliminate our water in the basement problems and we can think about replacing that floor in the hallway that is damaged.

I'd like to thank David and Cindy for all their help and guidance and making my first year on the board an easy task. I'm looking forward to my second year.

Respectfully submitted,

Carty Hall
Director of Building and Grounds

Pool Report

Our goal is to provide members with a fun, clean and safe pool experience

- Overall the pool is in good shape. At the beginning of the season, we performed some minor repairs on the pumps, also replaced the drain strips between concrete slabs improving the overall appearance of the deck
- A new automatic pool cleaner was purchased, as well as an additional lifeguard chair and the old lifeguard chair by the deep end was removed
- Diving Board – in mid-July the Hamilton County Health Board came to inspect our diving board and determined that it did not meet current guidelines and closed it for use. We are working on modifying it, so it can reopen for the 2019 season

Pool Events

- Our members enjoyed numerous pool events this past season. First TGIF, Memorial Day Picnic, July 4th and Labor Day are always busy days at the pool and members greatly enjoyed themselves
- Ladies Day at the Pool took place on July 14th. Members took part in a 45 min. Aqua Zumba class followed by lunch and cocktails, 14 multi-generational group of members attended the event.
- Kids Pool Party was held on August 26th in the afternoon and good turn out with 18 children attending. They played a lot of the kids' favorite games like watermelon relay, t-shirt relay, coin toss, pie in the face etc., snacks and ice cream bar provided by our committee.
- Dog Day was held on September 4th. This event is a perennial favorite and Glendale being a dog loving community, we had lots of our members bring their dogs to enjoy the water before winter pool closure.

- The July 4th camp out was canceled this year due to low interest – many members were out of town and weather was an issue as well. Hopefully we can revive this long standing tradition again this year.
- We are always looking for new ideas to make the pool experience more enjoyable for all members and are discussing new ideas for events this season: themed pool events such as scuba diving instruction, family game night, movie at the pool.

Swimsafe

- For several reasons, not the least being that finding, hiring and managing lifeguard staff is very time consuming and difficult, the board has decided to hire a pool management company, Swimsafe, to take over pool management for the upcoming season.
- Swimsafe is a successful and reputable company managing many of the Cincinnati area private pools, and we believe this will greatly improve lifeguard coverage, lifeguard attentiveness, cleanliness and overall operational efficiency.

Youth Report

- Easter Breakfast was held on March 24th. 52 members and a few prospective members turned out for this event on a wintery spring day, which made for some memorable egg hunting in the snow.
- This year, we hired a new Kids Camp Director, Lisa Boys, who works as an art instructor during the school year, to lead our Kids camp and Ellen Godbey returned as Kids Theatre Camp director.
- Kids Camp ran for 5 weeks from June 12th through July 13th. Lisa Boys came in with some new fun ideas and the kids really enjoyed camp this year. We had a total of 67 participants over the 5 weeks. Kids enjoyed crafts, games, a question & answer session with our own Olympian David Payne, tennis instruction with Rob Caress, swimming and lunch bunch on Fridays.
- Theatre Camp took place from June 4th to the 15th in the afternoons. Though we only had a small group of 8 kids sign up, they put on two fantastic shows of Seussical Jr.

- Art Camp was held July 30th to August 3rd. This was a new event this lead by Lisa Boys. She instructed the children in the use of various types of art media and different art techniques. 6 kids participated.
- Holiday Craft Camp, also new this year, took place on December 2nd. Lisa Boys showed the kids how they can create their own Christmas tree ornaments as gifts for friends and family or themselves. 7 kids participated.
- Santa Breakfast was held on December 8th. 71 members and a few prospective members attended a fun event with juggling, balloon animals, Santa's appearance and plenty of food.

Respectfully submitted,

Cordelia Edmiston

Pool, Youth Director

Sports Report

2018 was another busy year for Sports at the Lyceum.

TENNIS

The Lyceum tennis courts continued to be in excellent condition throughout the year. Rob Caress and Billy Shoulders managed the court maintenance starting with the preparation in the spring and continuing with the daily care throughout the summer season.

We had another successful tennis season following the opening of the courts in April. Rob Caress continued as the Lyceum Pro and organized weekly men's and women's open play nights, tennis instruction during Kids Camp and private lessons for both children and adults. Our ladies represented us well in the CWITA tennis league again this year.

The tennis season finished up with the Lyceum annual tournament. Congratulations to Stacy Fehrenbach/Andy Taylor who won the mixed doubles and to Dan Regenold/Fabian Schmahl who won the Men's doubles.

PLATFORM TENNIS

The Glendale Lyceum Platform Tennis program continued to grow during 2018. The Lyceum currently has over 75 rostered players (men and women) playing on four men's and five women's teams in the Greater Cincinnati Platform Tennis

Association (GCPTA) league. Three women's teams and one men's team won their respective division in 2018.

The platform tennis courts have regularly scheduled activities 6 days each week during the fall/winter season as well as pickup play usage. The on-line court reservation system allows efficient scheduling of play on the courts.

Ann Turner continued this year as our platform tennis professional. She coordinated many activities during the season including weekly quadrants, drill sessions, Moonlight Social Paddle evenings and tournament and individual/team lessons.

The racquet program continues to provide a source of net income for the Lyceum membership. In 2018, the Lyceum received over \$35,000 from racquet only memberships and rentals for the Jones League. This income continues to offset all our fixed and maintenance costs for tennis and platform tennis.

The Lyceum again was one of the area clubs that played host to many of the nation's best players in the Midwesterns Platform Tennis Tournament over the weekend of January 11-13. Many thanks to Ann Turner who coordinated the Lyceum volunteers who staffed the paddle hut during the Midwesterns tournament.

Respectfully submitted,

Scott Vaaler

Sports Director

Treasurer Report

2018 was a fairly solid year for the Lyceum. Highlights include ending the year with a positive net gain, several necessary improvements and investments to our club facilities, paying down an impressive amount of debt, and continuing to move forward in our goal of diversifying our PG concentrated position.

This is the consolidated income statement for 2018 and the preceding four years. Each portion of the statement is discussed in the following sections.

| | 2014 | 2015 | 2016 | 2017 | 2018 | % Change 2018 |
|-----------------------------------|--------------------|--------------------|-------------------|-------------------|-------------------|---------------------|
| Operating Income | | | | | | |
| Club Activity (plus Misc Income) | \$215,466 | \$239,668 | \$272,001 | \$319,921 | \$248,772 | -22.24% |
| Legacy Fund Donations | \$40,000 | \$14,000 | | | | |
| Rental Income | \$103,709 | \$123,844 | \$114,722 | \$143,510 | \$201,580 | 40.46% |
| Total Operating Income | \$319,174 | \$363,512 | \$386,723 | \$463,431 | \$450,352 | -2.82% |
| Operating Expense | \$459,367 | \$476,586 | \$463,858 | \$510,562 | \$520,179 | 1.88% |
| Operating Gain/Loss | (\$140,193) | (\$113,074) | (\$77,135) | (\$47,131) | (\$69,827) | -48.15% |
| Non Operating Income | | | | | | |
| Endowment Fund Dividends | \$90,301 | \$95,690 | \$98,697 | \$98,000 | \$99,610 | 1.64% |
| Legacy Fund Dividends | \$0 | \$2,483 | \$3,869 | \$3,840 | \$4,114 | 7.14% |
| Initiation Fees | \$6,737 | \$7,250 | \$12,550 | \$6,850 | \$7,275 | 6.20% |
| Total Non Operating Income | \$97,038 | \$102,940 | \$115,116 | \$108,690 | \$110,999 | 2.12% |
| Non Operating Expense | \$7,740 | \$9,205 | \$31,274 | \$8,298 | \$13,655 | 64.56% |
| Non Operating Gain/Loss | \$89,299 | \$93,735 | \$83,842 | \$100,392 | \$97,344 | -3.04% |
| Net Gain / Loss | (\$50,894) | (\$19,338) | \$6,707 | \$53,261 | \$27,517 | -48.34% |

Operating Loss: - \$69,827

Operating Income: \$450,352

Operating income is primarily comprised of club activity income (dues and event income) and rental income. Operating income was \$450,352 in 2018, down 2.82% from the previous year. This decrease is primarily attributed to a 22% drop in club activity income. The largest single factor in this drop was the expiration of an assessment levied in 2016 and 2017. In 2017, that assessment contributed \$24,300 to club activity income. An APTA grant in 2017 contributed a further \$5000 to income in 2017. Attendance was down at some events, and several events (Adult Pool Party, Farm to Table, Spring Fling, Golf Outing) were canceled all together.

Our rental income significantly improved our bottom line with a 40.4% increase over last year's rental income. Our rental margins continue to be very good, as our expenses associated with rentals are mostly fixed. There is a lot of behind the scenes hard work that goes into these rentals, particularly as our numbers increase.

Operating Expense: \$520,179

Operating expenses were slightly higher in 2018 at \$520,179, a 1.88% increase over 2017. There were slight increases in expenses across the board in most areas- including club activity expenses, rental expenses, house and grounds and operating/overhead expenses.

Non-Operating Gain: \$97,344

Non-Operating Income: \$110,999

Dividends and initiation fees are the two primary components of non-operating income. Both of these components increased slightly. Harvest Capital is cognizant of the fact that the Lyceum relies heavily on dividend income, and they have reinvested our PG sales with that mandate in mind.

Non- Operating Expense and Capital: \$13,655

In 2018, we made several improvements and investments in our facilities. We spent \$13,655 on the following items:

| Expense | Amount |
|----------------------------|---------|
| Office Heater (Menards) | \$428 |
| Dolphin Pool Cleaner | \$3035 |
| Pool Drain Replacement | \$1043 |
| Library Chairs (Frontgate) | \$1008 |
| Library Furnace (Zimmer) | \$4074 |
| Paddle Court Heaters | \$4066 |
| Total | \$13654 |

These expenditures are necessary to keep the Lyceum in functional and beautiful condition. The General Manager and Lyceum Board take great care in researching expenditure costs and value to make sure that the Lyceum funds are used prudently.

Investments

The Lyceum currently has three accounts at Charles Schwab, including the Endowment Portfolio, the Legacy Fund, and the line of credit. Harvest Capital continues to manage a portion of the Lyceum's total portfolio. Throughout this year, we have worked closely with Marc Henn and we are confident in his ability to meet the unique investment objectives of the Glendale Lyceum. At this time, Harvest Capital manages the entire Lyceum Legacy Fund, as well as the combined PG sale proceeds in the Endowment.

Two sales of PG were made in 2018. 700 shares of PG were sold on 3/28/18 at \$78.82/share and 1300 shares of PG were sold on 11/20/18 at \$92.35/share. This is the second year of planned sales that were originally approved by membership on 7/31/2017. Harvest Capital has complete discretion of the timing of the sales each year and the reinvestment of the proceeds. At this time, a portion of the proceeds have been reinvested, but a portion is still in a money market being held for future opportunities. As a reminder, the majority of the portfolio is in a Dividend Aristocrat strategy due to the fact that these investments have a strong history of paying consistent and growing dividends (which we rely on heavily), and are usually reflective of solid fundamentals.

We still own 31,471 shares of PG and 438 of SJM in the Endowment fund at year end. As a matter of record, this share total includes 300 shares of PG that have been in certificate form and were deposited in early 2018 into the Schwab Endowment account. A copy of these historic certificates can be found hanging in the Lyceum library. All shares of PG registered to the Glendale Lyceum are now accounted for and held in Charles Schwab accounts. Both PG and SJM are unmanaged, which means we do not pay investment management fees on this portion of the portfolio.

Total return for PG in 2018 was 3.57%. Total return for the Harvest Capital portfolio in 2018 was -2.76%. Performance over the same time period for the Lipper S&P 500 Index was -5%. For further comparison, in 2017, P&G returned 12.68% and the Harvest Capital Portfolio returned 16.58% (on a partial year basis) and the Lipper S&P Index benchmark returned 21.61%.

Debt

We continue to pay down on the line of credit that we hold at Charles Schwab. This is important because interest rates are rising, and our monthly interest increases accordingly. From the end of 2017 to the end of 2018, our rate has increased by a full percentage point. With this in mind,

we have prioritized paying down our loan this year. By making several lump sum payments throughout the year, as well as paying the interest accrued every month, we have decreased the line of credit in 2018 by \$74,459.

ODJFS Audit

In November of 2018, the Lyceum was randomly audited by the Ohio Department of Jobs and Family Services (ODJFS). Their objective was to assure that all employees were properly classified as W-2 or 1099 employees. The ODJFS requested employment and payroll records for several employees over the past two years. Cindy worked closely with the auditor providing all necessary documents and background explanations. We are appreciative to Mark Godbey, who provided legal guidance in navigating the ODJFS questionnaires. As of December 2018, the ODJFS determined that all Lyceum employees were and are properly classified as either W-2 or 1099 employees.

Summary

In summary, the most noteworthy financial accomplishments for 2018 include the following:

- We ended with a positive net income of \$27,517, despite an operating loss, which can be primarily attributed to strong growth in rental income.
- We were able to make multiple investments and improvements in our facility, including the library, the office, the pool and the paddle courts.
- We advanced to the next step in our diversification efforts, selling 2000 shares of PG, and further solidifying our financial condition.
- We successfully paid down over \$74,000 off the line of credit.

The future success of the Glendale Lyceum is dependent on its financial health. The board is very committed to making prudent financial decisions and further improving the Lyceum's financial situation.

Respectfully,

Allisha H. Curtis

2018 Lyceum Treasurer