



Memo From: The Camp Delton Club, Inc. Board of Directors

January 17, 2022

Subject: Chevy Truck Replacement

To All Members:

This letter will serve as the method to inform the membership of The Camp Delton Club, Inc of the condition of the current Chevy Truck and provide transparency. As you may already know, the condition of the Chevy Truck has been deteriorating over the years and we have done many things to repair it for continued use. The Chevy Truck is a 2004 (18 years old) and has outlived its life expectancy. It currently has just over 101,000 miles.

The truck interior and exterior has reached the point where it is no longer safe for our employees to use. Here are just a few of the issues. The driver side door does not open, there is a hole in the floorboard, the shift linkage has broken off the frame and the bumper is falling off. The dash instruments including the odometer do not work all of the time. Over the last three years, the camp has incurred over \$5000 in expenses related to repair of the Chevy truck. The brakes have been replaced three times since owning the vehicle. As you can see, the expenses relating to the truck are at a point where it is no longer worth continuing to repair the vehicle in relation to its value for an 18-year-old vehicle.

The camp has had two vehicles to support the grounds operation for as long as any board members can recall. The Chevy truck is used as a second vehicle for employees to complete daily activities including delivering wood and should be used for safety rounds by the office manager. It is also used for secondary plow and salt vehicle in the winter.

Article VII, Section 4(b) of our current bylaws states:

Any non-budgeted purchase or expense which exceeds \$10,000 or is more than \$10,000 in excess of the board approved budget currently in effect for any one expense, and does not constitute an emergency, must be approved by the general membership by a referendum vote.

The board feels it is important to clarify the meaning of this bylaw. Every year during the budgeting process (in which all members are encouraged to participate), the board approves a budget that sets aside savings amounts each year in each of our saving reserve accounts for separate purposes including one subaccount for vehicles and a general camp maintenance and improvement savings reserve. These reserves are considered budget approved expenses, and therefore when using those funds for a camp designated purpose, it does not require a referendum unless it is over \$10,000 above what was set aside in the budget for such a purpose. The vehicle saving reserve is meant to provide the funds to replace the vehicles every ten to fifteen years to ensure the camp has safe vehicles in good condition to support the maintenance and grounds needs for the camp.

At the January board meeting, the board approved the purchase of a replacement truck not to exceed a purchase price of \$37,500 which will use funds from the vehicle savings reserve which currently contains \$29,914.89. Any additional funds needed above the vehicle savings reserve amount will come from the camp maintenance and improvements savings reserves which currently contains \$53,271.77. This will not cost the members any additional money. After this purchase, we will then continue to save to replace future vehicles with this reserve account. This ensures we do not need to finance a vehicle and instead can pay for the vehicle without incurring any interest expenses to the camp.

Respectively Submitted,
The Camp Delton Board of Directors