

payment, either as an assessment or as an initiation fee. Sponsored members do not pay an initiation fee because their membership renewal status is not as strong as other members.)

At the same time, we made a concerted effort to sign up new members in Class I homes. This effort achieved some success, primarily due to the recent purchase of the home by a family with children. However, some of these families were concerned about the total costs involved. Membership would require payment of the annual dues (\$300) in addition to a \$400 payment required because they resided in the Class I area. While these members receive a membership that is arguably more valuable than a Class II membership, it was not easy to explain why it was worth \$400 more. The obvious solution - to lower the amount - was not as simple as it sounds. First, there is the matter of equity relative to other members who had paid the \$400 amount years earlier. (Even if the house has changed ownership, the rights were transferred, so from an economic standpoint, the new owner had paid for them.) Second, the \$400 amount did not go to the Club, but had to be paid to the original developer. (This was part of an agreement in consideration of a forgiveness of a mortgage on the property.) Thus, even if the Board decided to accept a smaller amount, it still had to pay out the \$400 to the developer. The Board decided to offer two alternatives - either pay \$400 and become a full Class I member or pay \$150 and become a Class I (special) member. (It should be noted that the term "Class I (special)" is a term I made up while writing this. I am not aware of whether some other term was adopted by the Board.) I believe that in each case, these families decided to pay \$150 in addition to annual dues rather than the \$400 amount.

More recently, I believe that families have not been told about the \$400 offer, but this can be easily remedied if it becomes important.

Finally, in at least one instance, a Class I member let their membership lapse while they were trying to sell their house. Our legally binding agreement with the developer states that if membership lapses, a new application requires an additional \$400 fee. (The requirement for payment of these fees is due to expire soon - I believe at the end of 1992.) Thus, the new owner, who paid \$150 plus annual dues is a Class I (special) member.

SO WHAT?

There are two reasons for caring about this. First, as hinted at above, the Club is regaining its desirability and we are seeing increased demand for memberships. This is largely a result of significant volunteer efforts that have made our Club an enjoyable place to be, as well as turnover in home ownership that have brought some younger families into the area. There are upper limits on the number of members we can accept, both for capacity reasons as well as a need to keep noise levels and congestion down to reasonable levels so that the immediate neighbors are not unduly affected.

If we receive more applications than we choose to accept, how do we decide who to turn down? A simple, first-come, first-served rule will not work. For example, if we are at the maximum membership level, and a family in a Class I area applies for membership, we must accept them.

What if a family in a Class I home moves to a home in a Class II area? Can they automatically renew their membership? Do they have to pay an initiation fee?

What if an existing member moves outside