

Eta Iota House Corporation
2017 Calendar Year End Summary
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Alumni Brothers:

It has been another successful year for the Eta Iota House Corporation with many accomplishments and a few trials and tribulations thrown in for good measure. The house is at full occupancy and we had 100% rent collections in the fall. We have 5 new bathrooms on the second floor and a new roof that should last decades. The new property is scheduled to be paid off by June 2018 and all three properties are now legally adjoined and tax exempt.

Like last year we had unplanned challenges to contend with such as preparing and cleanup before and after hurricane Irma. We also had to fire a questionable roofing contractor and contend with extensive rot and damage to the roof that was not foreseen.

In an anticipated development, congratulations are in order to Delta Chi Fraternity, who finished their new house. For the first time in many years, there is a rival fraternity at ERAU with a house.

Sigma Chi International Fraternity Inc. has announced a major institutional change to the drug and alcohol policy that will go into effect February 1, 2018. Sigma Chi Headquarters has prohibited the possession or use of hard alcohol on any Sigma Chi property or at any Sigma Chi event. The abolition of hard alcohol is in response to Universities unprecedented wave of Greek system suspensions and expulsions nationwide in 2017 due to alcohol related incidents. Knowing the statistics, I believe this change is necessary and House Corp. will fully adhere to and enforce the new alcohol and drug policy.

The Eta Iota House Corporation is looking forward to a productive 2018.

The following is a list of what was accomplished in calendar year 2017 and our plans for 2018.

PROJECTS COMPLETED in 2017

5 new bathrooms - The second floor bathrooms were not on the "to-do" list for 2017 but were in dire need of renovation. Mike Wyble's friend was willing to give us a deep discount on the shower pan and wall composite material so we decided to proceed. Mike and I gutted the 5 second floor bathrooms and rebuilt them. This included reframing rotting floor joists, removing

the old cast iron waste lines and replacing them with PVC. The domestic water feeds were replaced with Pex and Moen single handle shower valves instead of the old 2 handle valves. The floor joists were replaced as needed and the plywood with $\frac{3}{4}$ " pressure treated. Mike's friend made very heavy duty custom composite shower pans and shower walls that are aesthetically pleasing and mold resistant - the pans are approximately 1" thick, not like the flimsy units at Home Depot. The tight mating of the walls and pans will prevent any water leakage or intrusion.

In a further effort to contain water and prevent damage, we installed shower doors on all the new units. We installed Toto brand elongated 1.6 gal toilets. Toto toilets have a large 3" flush valve and fully glazed traps reducing friction to help prevent clogging. Each bathroom was fitted with a new fan/light which are all vented to the exterior of the building. At this point all plumbing from the second floor down to the first floor slab level is new (pipes under the slab will be next year). I appreciate Mike and Becky's time and hard work.

Special thanks to Jerry "Fat Albert" Anderson and Bruce "Sief" Balensiefer for their help.

New roof - After considering bids from multiple roofing contractors, the contract was awarded to Wayne's roofing. Wayne's had been in business for years and had a good reputation in the Daytona area. I had discussed my expectations with their managing partner, Steve and told him all rot and termite damage was to be repaired - we didn't want to cut corners. Another requirement was that there be no workers with criminal records on property. Wayne's was supposed to start the job in January of 2017 but the hurricane in October 2016 put them behind schedule. They finally started the job in May of 2017 with a dozen or more unskilled workers. The quality of work was terrible. They were stripping the roof and installing the ice and water shield material directly over all the rot and termite damage. I had warned them several times that I was watching, but they continued the same shoddy work. It came to my attention that the majority of these workers were not actual roofers but inmates that were on work release from the local prison. It was clear to me that Wayne's did not have the workforce with the skills to complete the roof correctly, so the decision was made to fire them.

Because of the recent hurricane, most of the roofers were backed up 6 months to a year making it difficult to find one to finish the job in a timely manner. WKL roofing - one of the largest in Daytona - agreed to complete the job but could not start the work for 3 months. This was a very stressful time because Wayne's had stripped the roof in a haphazard manner leaving us with just a thin layer of tar paper on the roof coming into rainy season.

To expedite the process, we hired Mark McNeeley from Dream Home Builders to repair the rot and termite damage so the roof deck would be ready when WKL arrived in August. Before putting the roof out to bid, I had known there was rot and termite damage but the extent of the damage became clear when Mark's crew began to work. Mark's crew worked steadily all summer replacing the damaged roof framing.

WKL arrived on time in August and was able to get the roof completed before the school year began but unfortunately while they were installing the new roof, many of the the old heavy plaster ceilings in the wings fell, creating another problem to deal with.

Ceilings in wing bedrooms - With approximately a week to go until the fall semester began, the ceilings in rooms (3,4,5,7&15) had fallen and needed to be fully replaced. To compound the problem, the ceiling joists needed to be sistered due to termite damage. Once again, Mark's crew got to work and helped to get the ceilings repaired. As school began we had all but 2 of the ceilings repaired. We were able to get the other 2 ceilings finished within a reasonable time period but to his credit, Seth Downs took money from his own pocket to prorate brothers rental fees that were affected. Thank you Seth.

Although we were forced to replace some of the ceilings sooner than expected, we knew that they needed to be done. I just look at it as part of a project we finished ahead of schedule and therefore, less that we need to do in the future.

Hurricane preparation and repair - Another unanticipated event this year was Hurricane Irma. In October, just when I thought we were wrapping up projects for the year, we received a prediction for a possible CAT 4-5 hurricane for the second time in under a year. Due to the size of the house and the fact that lumber becomes scarce immediately upon the prediction of a hurricane, an immediate decision was made to board the house and secure the property. Mark's crew and I worked to obtain plywood and get the house ready for the storm. The house and new roof fared well during the storm with some tree limbs down in the rear.

Digitizing Composites - In last year's end of the year report I had stated that I wanted to have the older unframed composites digitized to preserve the chapter history in case they were damaged by fire or a natural disaster, there would be some record of them. We began the process by sending years 72,74,75,76,77,79,80,81,82,83,84 out to be digitized. I had called around to see if we could have the composites digitized locally but nobody would touch them. The original composite company still has the rights to the photos so they can only be duplicated by Fraternal Composite Corp. in N.Y. State. The composite company has completed the work and the digitized composites will be shipped back to the house shortly.

When this group of composites is returned, we will look to see if there are any others from the 80's or 90's that need digitizing. At some point during the 90's all photography and composites became digitized, therefore no action will be needed.

Sometime during spring 2018 I would like to make a duplicate of the charter so the original is not exposed to damage or theft. The original charter should be kept in a locked room.

Does anyone know if there was a composite picture taken in 1973 or 1978? If so, does anyone know where they are? I'm not sure if the chapter had composites done in those years - please advise at tgmcswiggan@gmail.com or hi.hc.pres@gmail.com.

We don't have any photos of the 45th birthday loaded onto Etaiota.org. Does anyone have pictures they can share?

PROJECTS PLANNED FOR 2018

Depending on cash flow and alumni donations, we will do some or all of the following projects:

Routine maintenance - A/C filters, clean showers, clean under deck, full pool service, etc.

Patch stucco - The stucco needs to be patched in the areas that were affected during the roof replacement.
Estimate \$6500

Install new soffits and downlighting - We will be installing all new soffits on the house. After the roof was completed, we left the soffits off until after the stucco work is completed. While installing the new soffits, we will be installing LED downlighting on the house. I have always thought the face of the house looks too dark at night. It will look much better with downlighting.

Soffit Estimate \$6000

Light budget \$2500

Bedroom ceilings - wings - We have sistered the joists and replaced ceilings in 5 wing rooms. We will continue to replace ceilings in the wing rooms as money and time permits.

Average \$4000 per bedroom

Replace exterior waste lines - Two years ago we replaced the worst 40' of the exterior wasteline. In preparation for renovating the bathrooms in the wings, we need to replace the rest of the deteriorating exterior waste lines - the job includes demo and replacement of portions of sidewalks in front of wings.
\$7000

Install 46 new impact (hurricane) windows - We have had new windows on the agenda for a while but the roof and other projects were costly so they had to be put on the back burner. The existing windows in the house are cheap 1/8" clear glass causing extreme heat gain in the house. The tilt wash latches are all broken or misfit causing the windows to blow in during a strong wind let alone hurricane force winds. When we do the windows they will be tinted and impact rated helping to keep the house cool. They will also lessen the need to board the house in the event of a hurricane and cannot be broken by potential burglars. **If we have enough funds, I would like to get them done this year.**

Estimated \$32,000

WI-FI hookup - The new WI-FI wires are run throughout the house but have not been terminated. We will be finishing this up ASAP. I have been in contact with John Banta who has made some suggestions for equipment. It was estimated by a professional installer but I have

had John Banta and other alumni offer to do the work themselves. We will need three commercial routers and other hardware to complete the task.

Hardware \$700

Fencing - Privacy fencing is needed at different areas of the property but the two areas that I would like to do this year are the areas up front, blocking off the accessway (the right driveway) and the area between the left front of the house and the raintree. People trespass most often using these two areas.

Not yet estimated

Exterior Fan / light for bar - The tiki bar needs lighting. There is a wire run but we need to install lighting or an exterior fan/light combo.

\$250

Exterior Speakers - At some point House Corp. will install exterior speakers. They range in price \$79 - \$449 pair. We will wait until after the new soffits are installed.

TBD

Cushioned folding metal chairs - We need to order 20 chairs for the chapter rooms so the brothers don't take the good furniture out of the study room and kitchen for chapter meetings. These chairs run about \$20 each x 20 = \$400

\$400

Complete renovation of the wings 2019 - Renovating the wings will be costly so the actual schedule will be heavily dependent on our financial position and cash flow. House Corp. will be discussing the future plans more over the next 6-9 months. We have been doing preliminary work to the wings so that the project will go smoothly once commenced.

anticipated \$250K

OPPORTUNITIES FOR ALUMNI INVOLVEMENT

Vacant House Corp. positions

The House Corporation currently has 4 executive officers and 6 trustee positions that are all fulfilling their duties. It must be noted that we are missing Bill Palmer's input, and gifted abilities since his retirement from HC. There are a few vacant HC positions we are looking to fill. These positions may be filled by the current HC members or new alumni volunteers.

- 1) **Fundraising / Keeper of the list** - It is important for the perpetuity of the House Corp. and communications in general that the HC have its own alumni list that is as accurate as possible. The job's description will include keeping all alumni contact info up-to-date and to make sure all graduating seniors are immediately added to the list. The fundraising chair will also be responsible for the new Eta Iota HC initiative to get alumni to remember to bequeath us in their will.

- 2) **Technologist / webmaster** - This is the job that Bill Palmer did so well for 25 years. The responsibilities of the position are to keep Etaiota.org and any other platforms or pages that we use up to date.
- 3) **RMF chair** - This job is to ensure House Corp. and the undergraduate chapter are in compliance with RMF rules and insurance regulations.
- 4) **Birthday Coordinator** - Gassi has been the birthday coordinator for years. The position requires enough work that we need volunteers for the committee. - Alumnus Chris Giovanetty has recently joined the committee.

Other opportunities to help

- 1) John Banta will be finishing up the new WIFI at the house in late February or early March and might need help.
- 2) Thousands of old chapter photos need to be identified, labeled and scanned for preservation.
- 3) We will be removing and replacing the plaster ceilings in the wings.
- 4) Depending on finances and manpower we anticipate renovating the wings next year and we can use a hand.

Anyone interested in these positions or helping can contact me or any House Corp. member or email hi.hc.pres@gmail.com

UPDATE YOUR CONTACT INFORMATION

Please take time to update your contact information on our **Etaiota.org** site as well as headquarters **sigmachi.com** site. Also take a few minutes to contact members of your pledge class to have them update their information as well. While you are on Sigmachi.com consider becoming a **Life Loyal Sigma Chi** if you aren't already,

- Go to **etaiota.org** and click on the “**member directory**” tab, then look in the center of the page for “**add / update personal data.**”
- Go to **Sigmachi.com** and click on the “**members only**” tab all the way on the right and then drop down to “**update my contact info.**” You will need to remember your username and password. If you need help call HQ at (847) 869-3655.
- If you know of any changes in a brothers contact or health status that might not be able to update their own contact information, please let us know by email at hi.hc.pres@gmail.com.
- Contact your pledge class and other alumni brothers to make sure they all update their info as well and are on the **sigma chi - eta iota chapter facebook page** and are also aware of the hi.hc.pres@gmail.com if they need to communicate with us.
- If it pertains, please update your contact information with your local Sigma Chi alumni chapter.

NEW HOUSE RULES WITH DEMERITS

Some aspects of the undergraduate chapter are functioning well while others aspects require a lot of work. The chapter has done great work fundraising for Huntsman cancer Institute and volunteering with Habitat for Humanity.

This being stated, the House Corp. must address some behavioral concerns: a broken door jamb, a broken window, damaged doors, overflowing garbage cans, beer cans on the lawn and assorted other issues. Most recently, over Christmas break 2017 the city gave the chapter a citation for \$500 because of the amount of garbage in front of the house. Jerry Anderson, Bruce Balensiefer, Mike Wyble, myself and other alumni have tried to explain that treating the house with this type of disregard is completely unacceptable. I have told the chapter repeatedly that there is an ordinance regarding garbage cans out front and that all garbage in and out of the house must be emptied twice per week but it goes on deaf ears.

Broken items and citations are not only costly to repair but more, portrays a complete lack of pride in Sigma Chi and is also a slap in the face of the alumni that have given so much. I realize that bringing this information to the attention of the alumni could cause a visceral reaction but it is important to know these behaviors didn't start recently. Behavioral problems have been long running and will be addressed by raising expectations as well as instituting long needed house rules, coupled with a system of demerits.

This critique is in no way meant to denigrate the current undergraduate chapter or to lessen their achievements, only to ensure Eta Iota's perpetuity. Starting in Spring 2018 the House Corp will be instituting house rules that will be enforced.

HOUSE CORP FUNCTION, UNIVERSITY ENVIRONMENT & POLICY CHANGES

Undergraduates and Alumni alike don't always understand what goes into making a house corporation function effectively, how it is organized or what factors influence the decision making process. I hope the following explanation makes clear the need for rules as well as how and why they are formulated.

There are many things that are considered when making decisions and formulating policy as it relates to House Corp., some of which are:

The needs of the chapter, finances, student schedules, Sigma Chi rules, university rules and environment, local ordinances, state and federal laws, regulations and statutes (including IRS), insurance guidelines (RMF), fire code, health code, building code, etc.

It is important to know that the undergraduate chapter does not own the house and cannot be members of the house corporation. The Eta Iota House Corporation is a Florida corporation and the Eta Iota alumni its shareholders. The House Corporation is a completely separate entity from SIGMA CHI INTERNATIONAL FRATERNITY INC. The primary purpose of the officers of any house corporation or any corporation for that matter is to "protect the asset." The undergraduate chapter, although brothers, are considered renters. Of course, because they are brothers, we watch out for their well being and always have their best interest at heart.

Why does this make a difference? Beginning about 5 years ago, universities across the country have shown zero tolerance for any misbehavior or missteps by Fraternities and Sororities. They are quick to suspend or expel them at the drop of a hat for incidents that the universities would not have blinked at years ago. Over the past few years Sigma Chi has lost numerous chapters across the country for incidents that included hazing, alcohol or behavioral related problems - all of which are usually related. This past year, many universities took the unprecedented step of suspending or completely expelling their Greek systems, which has been a wake up call to Sigma Chi and other Greeks.

This might seem unfair to members of the Greek system because we know that hazing and behavioral issues are not limited to the Greek system but are prevalent among independents, sports teams and other clubs, etc. Although this being true, we all must realize the number of drug, alcohol and hazing related incidents universities deal with and the corresponding liability has caused them to protect their ASSETS. These incidents not only have a direct effect on the reputation and liability of universities but that of members of the Greek system as well, e.g. Penn State hazing death. To reiterate, now more than ever before, misbehaviors blemish reputations, cause injury, raise insurance rates and cost us out of pocket for general repairs and maintenance.

Although we do not have hazing problems at Eta Iota, and the ERAU Greek system at Embry Riddle does not appear to be in peril, it just takes one incident to change that. If we don't keep our house and chapter in order, the university will do it for us. Sigma Chi International's new rule prohibiting hard alcohol along with Eta Iota's house rules will set an acceptable code of conduct for the brothers. This is for the good of the House Corporation and it will ensure the perpetuity of the chapter.

The tenant's of Sigma Chi's new rules are as follows:

- 1) No hard alcohol at any Sigma Chi property or event.
- 2) No social events with alcohol while recruitment or pledge operations are active.
- 3) Pledge period must begin and finish in 5 weeks.
- 4) All Sigma Chi events must be capped at a 3:1 guest to brother ratio.

Below I have included a link to the policy changes from Sigma Chi Headquarters:

<http://sigmachichi.org/policychanges>

DELTA CHI'S NEW HOUSE

Delta Chi is to be commended for completing their new house. The house is an attractive and functional 2 story modern concrete structure. It has 12 bedrooms and sleeps 24, therefore, brothers don't have their own rooms or private bathrooms as we do at Eta Iota. The property is smaller than 520 South and of course has no pool. At this time, their house is fully occupied. We do not know the actual cost of the Delta Chi house yet but it was estimated to be over \$2.4 million.

The Delta Chi house is built on a small parcel owned by the university on a long term ground lease ½ mile from campus. This arrangement places Delta Chi under a microscope, not only are they constantly being watched but also gives the University "all the cards" for any "perceived" wrongdoing of their chapter.

As we expected, this has created some healthy competition for Eta Iota. For the first time in decades there is another Fraternity house at ERAU which helped the Delta Chi chapter to better their typical lackluster RUSH this year. Not to worry, our Eta Iota chapter had a robust RUSH this year as well. As I have said many times before, I believe competition is healthy but our Eta Iota undergraduates need to stay on their "A-game". Eta Iota alumni can help ensure this happens by showing your support and keeping high expectations of the undergraduate chapter.

ETA IOTA RENOVATION COMPARED TO DELTA CHI

Recently, Eta Iota House Corp. trustee Brad Vomacka asked, "How we are doing on our 5 year renovation plan?" We are doing very well. We are ahead of schedule on the renovation, completing an estimated 45-50% of the project at a cost of \$325-350K which to date is only 14% of Delta Chi's estimated \$2.4 million to build their house.

Our strategy is to complete our project in phases, fully funding each phase as cash flow permits. Before Eta Iota is complete we will spend another projected \$300K equating to 26% of Delta Chi's \$2.4 Million - What a bargain!

The people that should be the happiest with the Eta Iota House Corp. strategy are the undergraduate brothers. They will be living in a beautiful house at a much lower rent than their counterparts at the Delta Chi chapter.

THE NEW PROPERTY

The new property was purchased for \$55K and Alumni donations have us ahead in payments. We have \$7500 left to pay on the property and Seth has it budgeted to be paid off by the House Corporation's fiscal year end, June 2018. We purchased the property using a promissory note, therefore, we already have clear title to the property. This year we legally adjoined all 3 properties - now they are all considered 520 South Ridgewood. With the lots now adjoined, it significantly raises the value of the melded 520 South.

THE POOL

The good news is that the pool equipment continues to function well so we haven't had to spend money for repairs. Although the equipment is functioning, the undergraduate chapter is having difficulty finding brothers to consistently maintain the pool. The current agreement between the HC and chapter is the undergrads are responsible for pool maintenance and the HC pays for major repairs. Our thought was that if the undergrads did the maintenance themselves, they would save themselves \$6-8K year - this has not worked so far.

The House Corporation will be taking over the responsibility of both maintenance and repairs of the pool beginning in January 2018. This will provide the consistency required by the health department. I have asked Seth to submit a financial plan to recoup the costs from the chapter.

POSITIONS IN CHAPTER

Starting in the Spring of 2018 the following undergraduate positions will need to give a weekly report to house corp.

Pool Manager - the pool manager will be responsible for making sure the pool area is clean and safety rope is installed after the pool is used. He will need to check the pump equipment and inform HC of any pool related issues.

Kitchen Steward - The chapter now has a kitchen steward position who is responsible to make sure the kitchen is clean: Dishes are clean and not left in the sink, the fridge is clean and the garbage emptied twice each week. The kitchen steward will also have a budget for supplies.

House Manager - Lane Wisnewski is the new undergraduate house manager for spring 2018. He will be responsible for the management of keeping the house and yard clean and organized. He will also be responsible for reporting any items that need to be repaired to House Corp.

RMF Representative - The RMF chair will need to give a weekly report of any incidents that happen relating to RMF.

- The house manager or risk manager will be responsible for making sure to lock all doors and gates at night - TBD.

MOVE IN / MOVE OUT CHECKLIST

Beginning in Fall 2018, A video will be taken of each room before brothers move in and another when they move out. Videos will be filed in House Corporation files.

The rest of the move-in / move out list will be developed soon.

ALUMNUS SHELDON LEONARD (gamma lamda 2014)

After being a big part of Eta Iota for years, Sheldon graduated from ERAU in May of 2014 with a bachelor's degree in aviation business and a bachelor's degree in Meteorology. He moved back home to the British Virgin Islands and worked at the Taddy Bay International airport for The British Virgin Islands Airport Authority. Sheldon rose to the level of Assistant Professional Cadet in charge of operations and revenue management. His island was destroyed by hurricane Irma, as a result, Sheldon has no home or job. Sheldon would like to move back to the United States and return to Embry Riddle to earn a master's degree in business administration and economics. Sheldon has reached out to the school and chapter looking for help returning to school. Does anyone have sway with the University that can speak to the administration on Sheldon's behalf? I would like to see if ERAU can fast track him into a master's program and if the university will supply him with a dorm room. If anyone can help in any capacity, please email myself (Tom) or Sheldon directly at S.leonardjr@gmail.com or call him at (284)-443-7770.

DONATIONS & BEQUEATHMENTS

The House Corp. would like to thank all of the alumni for your generosity again this past year. Although we are ahead of schedule on our 5 year renovation plan, finances are limited and we can only accomplish as much as cash flow allows. As detailed in this report, we have a lot on the agenda and we greatly appreciate any donations you give.

As part of the House Corp. donation program we have also instituted a system of bequeathing the Eta Iota House Corp. If you have fond memories of Eta Iota and believe that Sigma Chi has played an important role in your life, please join with other alumni in our new bequeathment program. Brothers can be confident that their donations are spent wisely and watched over dutifully by Seth Downs. If you have any questions about the work that is going on at the house

or how to make a donation, please contact Seth Downs (hi.hc.treasurer@gmail.com), myself or any member of the House Corp.

FUTURE CAPITAL CAMPAIGN

After the 47th birthday this April, The House Corp. will be announcing a capital campaign to help pay for the renovation of the wings. The 50th anniversary is only 3 years away and the House Corp. would like to have the renovations completed for the big soiree. To accomplish this, we will need to raise \$250K.

DONATIONS - TOM HENION - Congratulations to Tom for becoming the latest Constantine level member of the 1855 club. We will be purchasing a printer/ copier/ scanner and some other "hi tech stuff" for the house with his donation. This will enable us to scan the thousands of old chapter photos for historic preservation. It will be placed in the new study room for use by the chapter. Further congratulations are in order as Tom will be retiring from American Airlines March 16th, 2018.

DATE OF ETA IOTA BIRTHDAY 2018

The tentative date for Eta Iota's 47th Birthday is April 6-8, 2018. Gassi is planning a BBQ at the house. If possible, please attend in person. If that is not possible, we will be live-streaming our House Corp. meeting on Facebook again this year.

SUMMARY

Once again I have to thank Mike Wyble for the hard work he put into renovating the bathrooms. Seth Downs dutifully watches over the finances of the House Corp. and spends many hours gathering, organizing, streamlining and analyzing information to keep things on track. I appreciate all the members of House Corp that help share their time and opinions helping to ensure our success.

Although we were able to accomplish more than expected this year, it was costly. As you all know the success of the undergraduate chapter and House Corp. is directly related to the alumni support. This year again, you, the alumni showed your unwavering support of House Corp. and the chapter and we couldn't have done it without you. Let's repeat again in 2018.