

Fox Valley Golf Club
Board of Directors Meeting Minutes
Monday September 10, 2018 7:15pm at the Club

Present: Mike Zimmer, Josh Hounsell, Brandon Warman, Dan Haak, Bob Zarter, Jon Wittmann, Cindy Roberts, Rich Scott, Jason Haack, Ed Bekx

Excused: Scott Bushman, Jeremy Wilkinson

Absent: None

Minutes: Minutes of the July 30, 2018 board meeting were approved.

Correspondence: None

Treasurer Report: The written treasurer report was e-mailed to all board members.

Fox Valley Golf Club
Treasurer's Report
September 10, 2018

From: Rich Scott
Treasurer

The treasurer's report is for the first nine months of fiscal 2018 which are November through July of 2018.

Executive Summary:

Total Gross Revenue year to date for 2018 when compared to 2017 is about \$7,600 down over last year. The largest factors are decreases in Bar Revenue of about \$16,700, Pro shop merchandise sales down about \$3,500 and Dining Revenue down about \$2,900. Offsetting those are the increase in Dues Revenue of \$18,600.

Total net income for 2018 year to date when compared to 2017 is about \$17,700 more than last year.

Total overall costs of goods sold and other expenses are down about \$22,000 over last year.

Detail Report:

We have dues revenue of approximately \$520,780 adjusted for all the various memberships. Last year total dues revenue was \$502,783 all adjusted at the end of 2017.

Comparing 2018 to 2017 through the first nine months of our fiscal year, our net income when compared to last year at this time is about \$17,700 ahead. The bulk of that amount is coming from our Bar, Dining and Pro shop merchandise sales decrease, but offset by the increases in Dues.

The bar area has produced a profit for the first nine months of about \$27,900. Last year the bar area had a profit of about \$42,600 at this time. Therefore we can still use an increase in patronage in this area of the club to boost profits, and cover losses in other areas of the club.

In the dining area, we have a loss of about \$34,200 in 2018 versus a loss in 2017 of about \$30,200. Our cost of food is at 59% for this year, which when compared to 2017 we were at 58%. I am hoping that we can continue to improve the dining operation and hit the target 54% range for cost of food and continue to see our dining revenue increase for August.

When we look at bar and dining as one operation, we have loss year to date of \$6,300 in 2018, versus a income of \$12,400 in 2017 and income \$40,200 in 2016.

Course costs for the first nine months of 2018 are about \$15,200 more than last year. This relates to our improvements we are making in the tee boxes and some other increases in general costs of the course in repairs and maintenance.

In the pro shop area we are up in net income compared to last year by \$22,700. Our pro-shop sales however are down about \$3,500 over last year. Our cart fees are about even with last year.

In the administration area of the club, we are running about \$5,200 higher than last year as our administrative labor costs have increased.

We had nothing on the line of credit at July 31, 2018 and we had cash of \$66,000. We normally start to use the line in July. Last year we were at zero on the line and cash of \$89,800. Our long term debt is down over last year at this time by \$110,000. We made payments on the mortgage and have decreased that by \$70,400 over last year at this time. We had a decrease in member notes of about \$39,600 over last year as well.

Summary:

July 31, 2018 is a very good indicator of where the club will end up for the fiscal 2018 year. We are nine months into the year now and have a pretty good idea of where we will be as far as dues and established club revenue. The weather has not been great recently in August with the rain, and we hope for better weather so we can have a great finish to the year.

If I had to venture a guess on where we will end up at the end of this year for 2018, I think we could end up with a break even year. I think we will end up from a long term debt standpoint by adding about \$40,000 to the debt with the reason being we will be taking on an additional \$150,000 for the tee box project. The line of credit will depend upon operations for the rest of the year and repayment of dues deposit we offer each year in late September to early October to

members. I would hope members will take advantage of the deposit for next years dues as it helps us plan for the 2019 season.

Your patronage of the club is extremely important as we finish out the year. Please remember that all the dollars you spend at the club help and you have a big impact when we work on the budget for next year and set prices. As members these next three months are extremely important that we try to maximize revenue for the club.

The board had a discussion regarding losses in bar and dining operations and recommends an increase in pricing in bar and dining.

Greens and Grounds: Dan Haak reported that the grounds crew is exhausted. They have been trying to restore all the bunkers and hand water all the sod around the new tees. Also the summer help crew has left leaving Scott with a more limited staff. Scott Bushman and his crew have gone above and beyond keeping the course open and playable. Thank you to Scott and his crew.

The board had a discussion regarding the new tee boxes. People have asked why sod wasn't placed around all the redone tees. The board would like to respond by letting the membership know that if sod was placed around every new tee the cost for the project would have been \$20,000 to \$30,000 more. Sod was placed in the walk up areas and areas were the grounds crew can access the tee. Grass will grow in the other areas as the grass on the tee box will.

The board moved to remove the ad hoc tee box committee as the project is at it's conclusion.

Golf Activities Committee: The committee will be meeting in the next few weeks to start planning for next year.

There are a few events remaining for this year. Green aeration is scheduled for October 2nd. The Board had a discussion regarding winter simulator golf. The board will continue to look into this project.

Building Committee: Josh Hounsell reported that the pump house has 3 pumps and only one is up to capacity. Two of the pumps will need updating or replacing. The committee will look into options for this project.

Business Development and Marketing Committee Report: Jason Haack reported that 6 people have taken advantage of the new fall promo membership.

Policy, Bylaws and Member Service Committee: The board had a discussion regarding medical leave for Business Card Members. Currently the policy in place only covers regular memberships. After discussion the board approved the following addendum to the current policy:

Medical leaves of absence that are approved for business card members will allow that member to “carry-over” one half (50%) of any pro-rated funds into the following year.

Personnel: Chef Mark will be leaving the hospital soon. The club will continue its efforts to help support Chef Mark with financial donations from members.

Old Business: None

New Business: None

Next Meeting: The next board meeting is scheduled for Monday October 29, 2018 at 7:15pm at the club. The annual stockholder meeting is scheduled for Thursday December 13, 2018 at 6:00pm at the club.

Adjourn: Motion by Hounsell with a second by Wittman. M/C

Executive Session: Requested

Respectfully Submitted:
Edward Bekx
Secretary to the Board