

Fox Valley Golf Club
Board of Directors Meeting Minutes
Tuesday March 3, 2020 6:30pm at the Club

Present: Mike Zimmer, Jason Haack, Mike Zwiebel, Mike Faggio, Rich Scott, Scott Bushman, Josh Hounsell, Dan Haak, Ed Bekx, Ryan Zelhoffer, Jon Wittmann (via phone conference)

Excused: Brandon Warman, Mitch Schaeuble

Absent: None

Minutes: Minutes of the 2019 Annual Stockholder meeting were approved.

Correspondence: Suggestion box items were passed on to bar and dining committee.

Treasurer Report:

Fox Valley Golf Club
Treasurers Report
March 3, 2020
Results at End of January 31, 2020

Rich Scott, Treasurer

Total Revenue when compared to last year at this time is \$515,214 versus \$439,092. An increase of \$76,122. We had a large increase in Dining revenue being up \$20,605 and dues collections so far being up \$56,412 over last year at the same time. Those two items account for bulk of the revenue increase.

Our expenses have increased as well in Cost of Goods sold by \$17,990 of which the largest increases are in Labor costs including payroll taxes are up \$13,606 over last year at this time. Our other expenses are up across the board \$16,227 over last year. Our normal ordinary net income is \$41,904 up over last year. Remember that \$56,412 is from collections of dues that I think we just have people who made their payment earlier this year and our dues will not be \$56,000 higher than last year at the end of the year. I think we will have a better idea when we look at the end of February numbers where we are for dues and really don't know until the end of May where dues will end up for 2020.

The Bar on its own is currently at a profit of \$10,346 versus last year we had a profit of \$6,349 through January. Dining we are at a loss of \$21,034 versus last year it was \$17,460 loss. We have a \$3,574 greater loss in the dining area through January 2020 when compared to last year's, but our dining revenue is up \$22,306 over last year. Our expenses in dining are up though \$25,880. Margins in dining on sale of food are similar to last year at this time, but the increase

in sales profit is getting more than chewed up by the increase costs on labor in the kitchen and dining.

The overall net income for the club at January 31, 2020 year to date is up \$69,372. Included in there is a gain on the sale of our cart fleet of \$31,710 we have recognized in 2020 and we had zero last year during the same time frame. We therefore need to adjust the net income increase for this amount and so our true adjusted net income when comparing years is really \$37,662. Remember \$56,412 is the increase in dues collections. I believe then that we are really very similar to last year in net income if not even lower possibly. We will know more at the end of February is my guess.

From a cash standpoint we have at the end of January 2019 \$266,578 of which we also had \$130,373 on the line of credit. This year as of January 31, 2020 we have \$192,388 in cash and also have nothing on the line of credit. If we are \$56,183 ahead in cash over 2019 so far through January and our receivables are about \$36,278 higher this year than last year. Remember again that dues collections are up \$56,412 so that cash increase we have right now is because of dues being paid in faster than last year. I think we are close to where we were last year and maybe a little bit better from a cash standpoint.

I have gotten a proposal from Fox Communities to refinance our existing mortgage and tee box loan and then add to it another \$310,000 so we would be at \$650,000 after refinancing. This will help with the purchase of the cart fleet at \$209,000 in April. Then we have some additional funds for a cart barn and other items we may need to do with the building. We would lock this in for 5 years at 4.25% with a ten-year amortization and a payment of about \$6,600 per month if our appraisal comes in at \$1,500,000. This is less than what we are paying now on the two loans we have currently for the mortgage and tee box project. My thought would be we will try to pay this loan off at a faster rate than the \$6,600 monthly payment but have the flexibility to scale back payments should we need. I would look at trying to pay this off over 8 years instead if we can on the \$650,000 mortgage. This would correspond with the timing of when we would switch out the cart fleet we are buying in April of 2020.

My feeling is we are very close to last year at this time of the year from an operational standpoint. We have a lot of work ahead of us as we move forward in 2020 and I hope that spring comes early because that can add a lot of profit to the club!!!

Greens and Grounds: The pump house project has been completed. The drainage problem on hole #15 should be better this year as the neighboring property has replaced the culvert under their gravel road and thus will allow for drainage. With the new cart purchase the board held a discussion regarding the need for cart storage as well as updating or replacing the maintenance building. Many ideas were presented and many options were discussed. The board will continue to look at all options and look at costs involved.

Building Committee: After a thorough inspection of the building many items are in need of updating or replacement. The furnaces and air conditioning units need major work along with

some updating of the ductwork. Josh Hounsell oversaw the air rebalancing project to get rid of the sewage smell. New air intake vents and ducts were added to ensure a positive air flow into the building which will eliminate the smell. The board held a preliminary discussion regarding the needs for the building updates.

Golf Activities Committee: The 2020 calendar of events is ready and it includes a few new different events. An updated member guest event, the “Fox Invitational” is scheduled for Saturday June 27th. A two person scramble is scheduled for Saturday August 8th.

Jason reported that our new golf pro, Mitch Schaeuble, has personally purchased a Trackman golf simulator which he intends to be used by Fox Valley Members. The potential for the club especially during the off season will be great.

Business Development and Marketing Committee Report:

Submitted by: Jason Haack, PGA (Director of Golf & Membership)

We’ve formed a strategic partnership with Woodward Radio (WHBY & WSCO) to get the word out about The Fox via radio which has led to much higher awareness throughout the region.

2020 Radio Advertising Plan

WSCO | Monday, 2/17 thru Friday, 4/24 (10 Weeks, Monday thru Friday)

Dan Patrick Show (8-11am): 1 Ad/Day (Membership/Outing Focus)

Bill Michaels Show (11am-2pm): 1 Ad/Day (Friday Fish/Special Event Focus)

WHBY | Monday, 3/2 thru Friday, 5/22 (12 Weeks, Monday, Wednesday & Friday)

AM Fox Valley w/ Dave & Carol (5-8am): 1 Ad/Day (Comprehensive Focus plus Dave’s Blurbs)

2020 Radio Trade Agreement

The Fox receives \$4655 in Radio Advertising for:

\$2655 credit toward Edwards Family Membership & \$2000 to Woodward (Edwards billed \$2000)

Aaron Baer has stepped in and offered assistance thru his company (Baer Performance Marketing) to create more effective internet based marketing solutions thru Google AdWords for the club.

2020 Google AdWords Plan

Yearly Budget of \$3500 paid to Google by The Fox

Monthly Budgets reflective of upcoming calendar needs and traffic

2020 Google AdWords Management Trade Agreement

The Fox receives \$4800 in Google Adwords Management for:

\$3295 credit toward Aaron Baer Special Membership, \$950 FFF Credit, 6 Guest Passes (\$405 value), \$150 Foxy Debit

Additional Notes

- Mike Faggio and the F&B team have offered membership the following dining events during the off-season: Fall Harvest Wine Dinner (40 members & guests), Celebrate New Year's 2020 @ The Fox (100 members & guests), Italian Night (60 members & guests), Winter Brunch (80 members & guests), Winter BBQ (50 members & guests), Valentine's Day Dinner (60 members & guests), Sweetheart Brunch (40 members & guests)
- Google AdWords Monthly data available for review upon request.
- Our Facebook page is continually being updated and has seen continued growth and usage.
- Area High School Golf Outing data research is now available for review upon request.
- Members continue to play a key role in spreading the positive word about The Fox. Their grass roots efforts and willingness to share their experiences and love of the club with prospective Members serves as very strong testimonials.

3/3/2020 BOD Meeting

Personnel Report

Submitted by: Jason Haack, PGA (Director of Golf & Membership)

Your 2020 Management Team at The Fox is as follows:

Scott Bushman oversees the golf course operations as Golf Course Superintendent with Casey Kopf assisting as Assistant Golf Course Superintendent.

Mike Faggio oversees the food and beverage operations as Director of F&B/Special Events. Mike recently hired a new cook (Hunter) to assist him in the kitchen. The Lead Bartender position has not been filled since August. Mike has assumed the majority of those tasks (ordering, scheduling, etc).

Jason Haack oversees the golf operations, membership/marketing and business office as Director of Golf & Membership with new hire Mitch Schaeuble assisting as lead Golf Professional and Mike Farrell as Bookkeeper.

Note: All departments are currently seeking team members for the golf season.

Additional information and staff for the 2020 Golf Season:

Scott Bushman, GCSAA was hired by the club in the spring of 1996 as Assistant Golf Course Superintendent and assumed the Golf Course Superintendent post the following year. He is a highly valued asset to the club that cannot be put into words properly. Scott is a skilled and

tireless worker that wears many hats. He is also well respected and liked amongst his peers in the golf course industry.

Casey Kopf, GCSAA was hired by the club in October of 2014 as Assistant Golf Course Superintendent. He handles and assists Scott with a variety of tasks in golf course operations and is very devoted to his work.

Mike Faggio joined The Fox team in a part-time role to help out our kitchen operation in the fall of 2018 and signed on as full-time Director of F&B/Special Events in November of 2018. He has done an exceptional job to date in all facets of the department and we look forward to continued improvements and growth. Mike is highly skilled, detailed oriented and a pleasure to work with.

Jason Haack, PGA is entering his 10th season at The Fox (hired as lead Golf Professional in April of 2011) and third season in the Director of Golf & Membership role. This role has primarily focused on Golf Operation, Membership/Marketing and Business Office functions along with an occasional assist to the F&B team. *Note: I look forward to the 2020 golf season!!*

Mitch Schaeuble recently joined our team as lead Golf Professional. Mitch will manage the golf operations team and golf shop merchandising concessions. He is a skilled instructor and well versed in tournament operations to name a few of his strong suits.

Carolyn Barnett-Howe, PGA began teaching at The Fox in 2019 as an Independent Contractor. Carolyn brings years of teaching experience to the club and exposed many new faces to the facility this past season.

Mike Farrell (Bookkeeper) joined The Fox team in December of 2017. He handles a variety of tasks in the Business Office and is very devoted to his work.

Policy, Bylaws and Member Service Committee: None

Personnel: None

Bar and Dining Committee: A few small items are needed in the kitchen.

Old Business: None

New Business: None

Next Meeting: The next meeting is scheduled for Wednesday March 25, 2020 at 6:00pm at the club.

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

Executive Session: None

Respectfully Submitted:
Edward Bekx
Secretary to the Board