

**Fox Valley Golf Club
Board of Directors Meeting Minutes
Monday July 23, 2019 7:15pm at the Club**

Present: Mike Zimmer, Josh Hounsell, Brandon Warman, Dan Haak, Cindy Roberts, , Jason Haack, Ed Bekx, Scott Bushman, Jeremy Wilkinson, Mike Zwiebel, Mike Faggio, Jon Wittmann

Excused: Rich Scott

Absent: None

Minutes: Minutes of the April 2019 meeting were approved.

Correspondence: Suggestion box items were sent to appropriate committees

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

Fox Valley Golf Club
Treasurer's Report
July 22, 2019

From: Rich Scott
Treasurer

The treasurer's report is for the first eight months of fiscal 2019 which are November through June of 2019.

Executive Summary:

Total net income for 2019 when compared to 2018 is about \$57,000 ahead of last year. However, last years number was lower because we did not take inventory in the pro shop in June of 2018. So we are probably ahead of last year, but more likely in the \$30,000 range.

Total dues revenue for 2019 when compared to the same date for 2018 is about \$7,700 ahead of last year at this time.

Bar and dining total revenue is up \$58,600 when compared to last year at this time, with bar revenue increasing \$24,300 and dining revenue increasing \$34,300. However, total costs are up \$51,800 as well for the same period of time, with dining being \$50,800 of that increase. When we combine the two operations our net income is about \$9,300 ahead of last year at this time.

Green Fees are up from last year at this time about \$2,400, and cart rental is up about \$4,000. Our pro shop merchandise sales are down about \$5,800 compared to last year.

Estimated projection of where the club will end up at the end of 2019 is that we will be at a small profit of say \$50,000. I hope that July and August will continue to show improvements over last year.

Detailed Report:

We had total dues revenue in 2018 was \$520,138. This year total dues revenue so far is about \$534,000. Which is an increase of about \$13,800. I do not have final membership numbers yet, as we were receiving payments for new members in June, as well as still adding members late into June. We will finalize membership numbers in the July results Treasurer's Report in August.

The membership marketing group has been working on additional ways to bring in new members and revenue to the club. Their ideas and efforts will be continuing throughout the year to increase the membership of the club. I would like to thank those members for their efforts as we continue to move the club forward financially in 2019.

Comparing 2019 to 2018 through the first eight months of our fiscal year, our net income when compared to last year at this time is about \$57,000 ahead of last year. However, we need to remember inventory in the pro shop was not taken in June of 2018 and so our Cost of sales was higher in 2018 over 2019. I think we are about \$30,000 ahead in net income over last year. Our total gross revenue currently is up from last by \$70,000.

The bar area has produced a profit for the first eight months of about \$38,900. Last year the bar area had a profit of about \$13,200 at this time, so we are up in profit around \$25,700. In the dining area, we have a loss of about \$47,500 in 2019 versus a loss in 2018 of \$31,100. We have seen a growth in dining revenue in 2019 versus 2018 by \$34,300. Our cost of food as a percentage of sales is running year to date through June at 50%, which last year was at 61%. We want the target to be 50% or lower. So we are currently in line with expectations. However, our labor costs have increase by \$29,125 over last year at this same time and other costs like supplies have increased \$9,900, repairs have increased \$8,700, and utilities are up \$1,600 as we have expanded the service in this area and bought the kitchen up to par.

Course costs for the first eight months of 2019 are up very slightly about \$600 over last year. The course area though is still running smoothly as usual and I have no concerns in that area. In the pro shop area we are behind about \$3,100 in net income from last year. Our total revenue in the pro shop is about \$1,500 more than last year but our total expense are down about \$21,200 over last year and this . Pro shop merchandise sales are \$5,800 less than last year at this time.

In the administration area of the club we are running about \$7,500 less than last year on our normal expenses.

Last year as of June 30, 2018 we were at zero on the line and had cash of \$136,800. This year as of June 30, 2019 we are at zero in our line of credit and have cash of about \$56,900. We did tap into our line of credit in July. Our mortgage debt is down over last year by \$72,900. We had a decrease in member notes and paid off the tractor loan as well of another \$30,600. We did

however add the loan for the tee boxes and that currently is at \$145,200. Therefore our long term debt is at about \$41,700 more this year because of the tee box project we complete in October of 2018.

Summary:

June 30, 2019 is a very good indicator of where the club will end up for the fiscal 2019 year. We are eight months into the year now and have a pretty good idea of where we will be as far as dues and established club revenue.

I have looked at the loss we normally have over the last four months of the year and using the last four months of fiscal 2018 as a guide we usually lose between now and the end of our fiscal year anywhere from \$100,000 to \$120,000. I hoping we can keep that to the low end of the range and end up with a net income of \$50,000 or better.

From a cash flow standpoint, we will be in a positive position as we will pay down debt in the \$90,000 to \$100,000 range for all the debt other than the tee box debt. Even with the tee box project debt, we should only increase our total debt about \$40,000 to \$50,000 over last at then end of the year in October. However, as we move forward during the next four months we can continue to do better than expected if we continue to attract new members, increase bar and dining revenue, and increase play from outside of the current membership. We are going to need to look at our expenses closely the rest of the year and also as we start budgeting for 2020 with regard to pricing for dues and expenses.

Thanks again to all those who have done so much for the club and will continue to do so.

Greens and Grounds: Scott Bushman wanted to thank Jon Wittman and the membership for all the help and time in the cleanup from the storm. The update of the irrigation system is complete. The bunkers will be worked on over the next few days. The new tee boxes are coming in and will improve with time. Jon Wittman thanked Scott Bushman and his crew along with many members who help with the storm cleanup. In total 86 trees were lost (7 were willows). 28 smaller remaining trees need to be removed. 30 trees need to be removed with a high lift and a company will be removing those trees on Thursday.

Golf Activities Committee: Jason and Jeremy reported that the demo fitting days are coming up. The board discussed rescheduling the He-She Scramble to the Battle of the Sexes day. The junior program will end in 2 weeks and was very successful this year.

Building Committee: The doors in the clubhouse will be redone with paneled doors. The new pump in the pumphouse will be installed in September.

Business Development and Marketing Committee Report: Jason will send out an e-mail promoting the fall membership deal which will start August 1st.

Policy, Bylaws and Member Service Committee: None

Personnel: Staff hirings for this year have been great.

Bar and Dining Committee: The committee continues to look at increasing profit and containing costs. Menu items were discussed. Ice cream sandwiches will be available throughout the season. The club has had numerous wedding inquiries.

Old Business: None

New Business: The board had a discussion regarding a long term tree plan. Also there was discussion regarding events at the club to develop a process to determine which ones are profitable and cost effective. The member events will be looked at by the committee and outside events will be looked at by the business development committee and the Club President. The board also held a discussion regarding replacing the fleet of golf carts at the end of the year.

Next Meeting: The next board meeting is scheduled for Tuesday August 27, 2019 at 7:00pm at the Club.

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

Executive Session: None

Respectfully Submitted:
Edward Bekx
Secretary to the Board