



# 2017 Membership Meeting Harbor Club Expansion

July 13, 2017



## Overview

- Introductions
- How did we get here
- How is this possible
- Expansion Project Presentation
- Summary
- Q&A



## 2017 Board Members

- Peter Gorski, Chairman
- Larry Welford, Vice Chairman
- Lloyd Harrison, Treasurer
- Deborah McManus, Secretary
- Bob Stumpf
- Tim Powers
- Clif Pressinger
- Steve Gress, Asset Management Liaison



## Management Staff

- Drew Falvey, PGA – Head Golf Professional
- Dave Smith, Golf Course Superintendent
- Heather Allen, Harbor Club Manager
- Kevin Cretella, Director of Tennis
- Michelle Cornell, Administrative Manager



## How did we get here

- Challenges:
  - *The Club has exceeded the capacity of our existing facility*
    - *Kitchen Capacity*
    - *Noise*
    - *Ability to provide timely service*
    - *Capacity to Host Functions*
  - *Close Club for Major Events*
  - *Surveyed Membership – Told us what you wanted*
- Project Goals
  - *Expand to serve needs of present and future members*
  - *Improve member service*
  - *Remain open while hosting private events*



## *How is it possible*

### Overview:

- Developed a Conceptual Plan
- Perform preliminary financial feasibility analysis
  - Support from Members ( Assessment and Dues)
  - Support from NTS (Financial Commitment)
  - Financial Projections
  
- Resolutions from FLCC, FLCA and Asset Management
- Engage a Professional Team
- Perform Schematic Design\Design Development
- Tonight's Progress Presentation



## Harbor Club Expansion

### What is the Financial Impact to the Membership?

- \$500 Assessment
  - Paid in 5 Installments beginning November 30th, 2016 (December Bills).
  - This process is complete
- \$20 Dues Increase to all Members beginning in April 30th, 2017
  - Increase appeared in May bills
  - Builds additional capital contribution and cash reserve for Debt Service as required by the FLCA



## Frequently Asked Question

What has happened to membership since the project was announced?

| Membership Category     | October 2016 | June 2017 | Net Change | Impact on Monthly Revenue & Cap Reserve |
|-------------------------|--------------|-----------|------------|---|
| Full Golf (Inc. Sports) | 208          | 215       | +7         | \$3080                                  |
| Social                  | 263          | 236       | -27        | (\$2754)                                |
| Tennis                  | 35           | 33        | -2         | (\$310)                                 |
| Total                   | 506          | 484       | -22        | \$16                                    |





# Membership

- Marketing Strategy
  - Focus on Fawn Lake Residents \ New Homes
    - Currently 300+ Non-members
    - 500+ New Homes remaining to be built
  - Membership Penetration
    - Golf 27%
    - Social 29%
    - Tennis 4%
    - Total 60%
  - Potential for 300+ New Members!



# Membership

- Marketing Plan
  - Frequent Articles in Fawn Lake Publications
  - Harbor Club Expansion Presentation to Non-members (August 14, 2017)
  - Realtor Program
  - Neighborhood Outreach Program



# Club Financial Operations

Review of Club Operations

# FLCC Balance Sheet

|  |  |  |                     | 31-May-17 |
|--|--|--|---------------------|-----------|
| <b>ASSETS</b>                            |  |  |                     |           |
| Current Assets                           |  |  |                     |           |
| Checking/Savings                         |  |  |                     |           |
| Total 10000 · Cash Accounts              |  |  | 102,330.53          |           |
| 10200 · Restricted Accounts              |  |  |                     |           |
| 10210 · Union Capital Reserve            |  |  | 154,675.25          |           |
| 10220 · Union HC Expansion               |  |  | 244,688.93          |           |
| Total 10200 · Restricted Accounts        |  |  | 399,364.18          |           |
| Total Checking/Savings                   |  |  | 501,694.71          |           |
| Total Accounts Receivable                |  |  | 275,241.55          |           |
| Total Other Current Assets - Inventory & |  |  | 65,385.93           |           |
| Total Current Assets                     |  |  | 842,322.19          |           |
| Total Fixed Assets                       |  |  | 915,519.50          |           |
| <b>TOTAL ASSETS</b>                      |  |  | <b>1,757,841.69</b> |           |

Operating Cash

Capital Reserve Cash

Expansion Equity Cash

All existing fixed assets for Golf, Harbor Club, and Tennis

# FLCC Balance Sheet

| LIABILITIES & EQUITY       |                                       | 31-May-17    |
|----------------------------|---------------------------------------|--------------|
| Liabilities                |                                       |              |
| Current Liabilities        |                                       |              |
| Accounts Payable           |                                       |              |
|                            | 20000 · Accounts Payable              | 97,377.05    |
|                            | Total Accounts Payable                | 97,377.05    |
|                            | Total Other Current Liabilities       | 172,279.57   |
|                            | Line of Credit                        | 0.00         |
|                            | Total Current Liabilities             | 269,656.62   |
| Long Term Liabilities      |                                       |              |
|                            | 27111 · Capital Lease-Reserve-TCF...  | 26,851.72    |
|                            | 27112 · Capital Lease-Reserve-TCF...  | 67,357.71    |
|                            | 27113 · Capital Lease -Reserve -TCF : | 119,954.08   |
|                            | 27114 · Golf Cart Loan - Union Bank   | 157,281.61   |
|                            | 27115 · Capital lease-Reserve-TCF-30  | 72,941.97    |
|                            | Total Long Term Liabilities           | 444,387.09   |
|                            | Total Liabilities                     | 714,043.71   |
| Equity                     |                                       |              |
|                            | 39100 · Retained Earnings             | 794,644.15   |
|                            | Net Income                            | 249,153.83   |
|                            | Total Equity                          | 1,043,797.98 |
| TOTAL LIABILITIES & EQUITY |                                       | 1,757,841.69 |

Includes Prepaid Dues & Minimums, and Deposits on Special Events

Line of Credit Paid Off Last Year

Capital leases & loans for golf-related equipment

This is YTD total net income. It includes Expansion Assessment, Capital Reserve Assessments, and YTD Profit.

# 2016 Income Statement

## Revenues & COGS

|                                |  |  |  | <b>Jan - Dec 16</b> | <b>Budget</b>       | <b>\$ Over Budget</b> | <b>%</b> |
|--------------------------------|--|--|--|---------------------|---------------------|-----------------------|----------|
| <b>Ordinary Income/Expense</b> |  |  |  |                     |                     |                       |          |
| <b>Income</b>                  |  |  |  |                     |                     |                       |          |
|                                |  | <b>Total 40000 · FOOD &amp; BEVERAGE</b> |  | <b>870,034.73</b>   | <b>858,205.00</b>   | <b>11,829.73</b>      |          |
|                                |  | <b>Total 45000 · GOLF</b>                |  | <b>488,772.04</b>   | <b>588,746.00</b>   | <b>-99,973.96</b>     |          |
|                                |  | <b>Total 46000 · TENNIS</b>              |  | <b>43,212.30</b>    | <b>36,356.00</b>    | <b>6,856.30</b>       |          |
|                                |  | <b>Total 47000 · MEMBERSHIP</b>          |  | <b>1,209,201.67</b> | <b>1,123,165.00</b> | <b>86,036.67</b>      |          |
|                                |  | <b>47990 · Country Club Income</b>       |  | <b>40,641.42</b>    |                     |                       |          |
|                                |  | <b>Total Income</b>                      |  | <b>2,651,862.16</b> | <b>2,615,712.00</b> | <b>36,150.16</b>      |          |
|                                |  | <b>Total COGS</b>                        |  | <b>397,212.58</b>   | <b>375,824.00</b>   | <b>21,388.58</b>      |          |
|                                |  | <b>Gross Profit</b>                      |  | <b>2,254,649.58</b> | <b>2,239,888.00</b> | <b>14,761.58</b>      |          |

# 2016 Income Statement

## Operating Expenses

| Expense                             | Jan - Dec 16        | Budget              | \$ Over Budget   |
|-------------------------------------|---------------------|---------------------|------------------|
| Total 50000 · SALARIES & BENEFITS   | 1,445,391.59        | 1,441,349.00        | 4,042.59         |
| Total 60000 · OPERATING EXPENSES    | 224,347.64          | 198,677.56          | 25,670.08        |
| Total 63000 · REPAIRS & MAINTENANCE | 234,841.01          | 227,878.00          | 6,963.01         |
| Total 65000 · UTILITIES             | 105,245.87          | 106,883.00          | -1,637.13        |
| Total 70000 · OTHER EXPENSES        | 130,024.50          | 103,954.00          | 26,070.50        |
| <b>Total Expense</b>                | <b>2,139,850.61</b> | <b>2,078,741.56</b> | <b>61,109.05</b> |

# 2016 Income Statement Equity Accounts

|  | Jan - Dec 16      | Budget            | \$ Over Budget    |
|--|-------------------|-------------------|-------------------|
| <b>Net Ordinary Income</b>             | <b>114,798.97</b> | <b>161,146.44</b> | <b>-46,347.47</b> |
| <b>Other Income/Expense</b>            |                   |                   |                   |
| <b>Other Income</b>                    |                   |                   |                   |
| 70001 · Capital Reserve Assessments    | 213,965.00        |                   |                   |
| 70002 · HC Expansion Reserve Assessme  | 98,700.00         |                   |                   |
| 70003 · Interest Inc - Capital Reserve | 445.27            |                   |                   |
| <b>Total Other Income</b>              | <b>313,110.27</b> |                   |                   |
| <b>Net Other Income</b>                | <b>313,110.27</b> | <b>0.00</b>       | <b>313,110.27</b> |
| <b>Net Income</b>                      | <b>427,909.24</b> | <b>161,146.44</b> | <b>266,762.80</b> |



# YTD May '17 Income Statement Revenues & COGS

|                                |  |  |  | <b>Jan - May 17</b> | <b>Budget</b>       | <b>\$ Over Budget</b> |
|--------------------------------|--|--|--|---------------------|---------------------|-----------------------|
| <b>Ordinary Income/Expense</b> |  |  |  |                     |                     |                       |
| <b>Income</b>                  |  |  |  |                     |                     |                       |
|                                |  | <b>Total 40000 · FOOD &amp; BEVERAGE</b> |  | <b>295,156.55</b>   | <b>300,443.00</b>   | <b>-5,286.45</b>      |
|                                |  | <b>Total 45000 · GOLF</b>                |  | <b>194,500.36</b>   | <b>195,035.00</b>   | <b>-534.64</b>        |
|                                |  | <b>Total 46000 · TENNIS</b>              |  | <b>14,546.00</b>    | <b>10,377.00</b>    | <b>4,169.00</b>       |
|                                |  | <b>Total 47000 · MEMBERSHIP</b>          |  | <b>478,442.13</b>   | <b>492,095.00</b>   | <b>-13,652.87</b>     |
|                                |  | <b>47990 · Country Club Income</b>       |  | <b>14,551.18</b>    | <b>0.00</b>         | <b>0.00</b>           |
|                                |  | <b>Total Income</b>                      |  | <b>997,196.22</b>   | <b>1,009,825.00</b> | <b>-12,628.78</b>     |
|                                |  | <b>Total COGS</b>                        |  | <b>153,455.03</b>   | <b>137,293.00</b>   | <b>16,162.03</b>      |
|                                |  | <b>Gross Profit</b>                      |  | <b>843,741.19</b>   | <b>872,532.00</b>   | <b>-28,790.81</b>     |

# YTD May '17 Income Statement

## Operating Expenses

| Expense                             | Jan - May 17      | Budget            | \$ Over Budget    |
|-------------------------------------|-------------------|-------------------|-------------------|
| Total 50000 · SALARIES & BENEFITS   | 545,934.35        | 556,958.00        | -11,023.65        |
| Total 60000 · OPERATING EXPENSES    | 70,133.48         | 86,996.00         | -16,862.52        |
| Total 63000 · REPAIRS & MAINTENANCE | 133,934.26        | 119,881.00        | 14,053.26         |
| Total 65000 · UTILITIES             | 34,957.53         | 41,469.00         | -6,511.47         |
| Total 70000 · OTHER EXPENSES        | 50,930.86         | 39,093.00         | 11,837.86         |
| <b>Total Expense</b>                | <b>835,890.48</b> | <b>844,397.00</b> | <b>-8,506.52</b>  |
| <b>Net Ordinary Income</b>          | <b>7,850.71</b>   | <b>28,135.00</b>  | <b>-20,284.29</b> |

# YTD May '17 Income Statement Equity Accounts

|   | <b>Jan - May 17</b> | <b>Budget</b>    | <b>\$ Over Budget</b> |
|---|---------------------|------------------|-----------------------|
| <b>Net Ordinary Income</b>              | 7,850.71            | 28,135.00        | -20,284.29            |
| <b>Other Income/Expense</b>             |                     |                  |                       |
| <b>Other Income</b>                     |                     |                  |                       |
| 70001 · Capital Reserve Assessments     | 93,665.00           |                  |                       |
| 70002 · HC Expansion Reserve Assessment | 147,400.00          | 0.00             | 147,400.00            |
| 70003 · Interest Inc - Capital Reserve  | 189.17              |                  |                       |
| 70004 · Interest Inc - HC Expansion     | 48.95               |                  |                       |
| <b>Total Other Income</b>               | <b>241,303.12</b>   | <b>0.00</b>      | <b>241,303.12</b>     |
| <b>Net Other Income</b>                 | <b>241,303.12</b>   | <b>0.00</b>      | <b>241,303.12</b>     |
| <b>Net Income</b>                       | <b>249,153.83</b>   | <b>28,135.00</b> | <b>221,018.83</b>     |



## Harbor Club Expansion

### Important Considerations in the Evolution of the Design Process

- Maintain safe distance to the 18<sup>th</sup> green
- 2 story Member Grille
- Facility must be efficient to operate
- Provide view overlooking 18<sup>th</sup> green
- Work in harmony with FLCA facilities

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## Cannon Design

- Who is CannonDesign
- Sodexo Relationship
- Club Experience



The Duquesne Club



Laurel Valley Golf Club



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Allegheny County Club





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Sparkling Hill Resort



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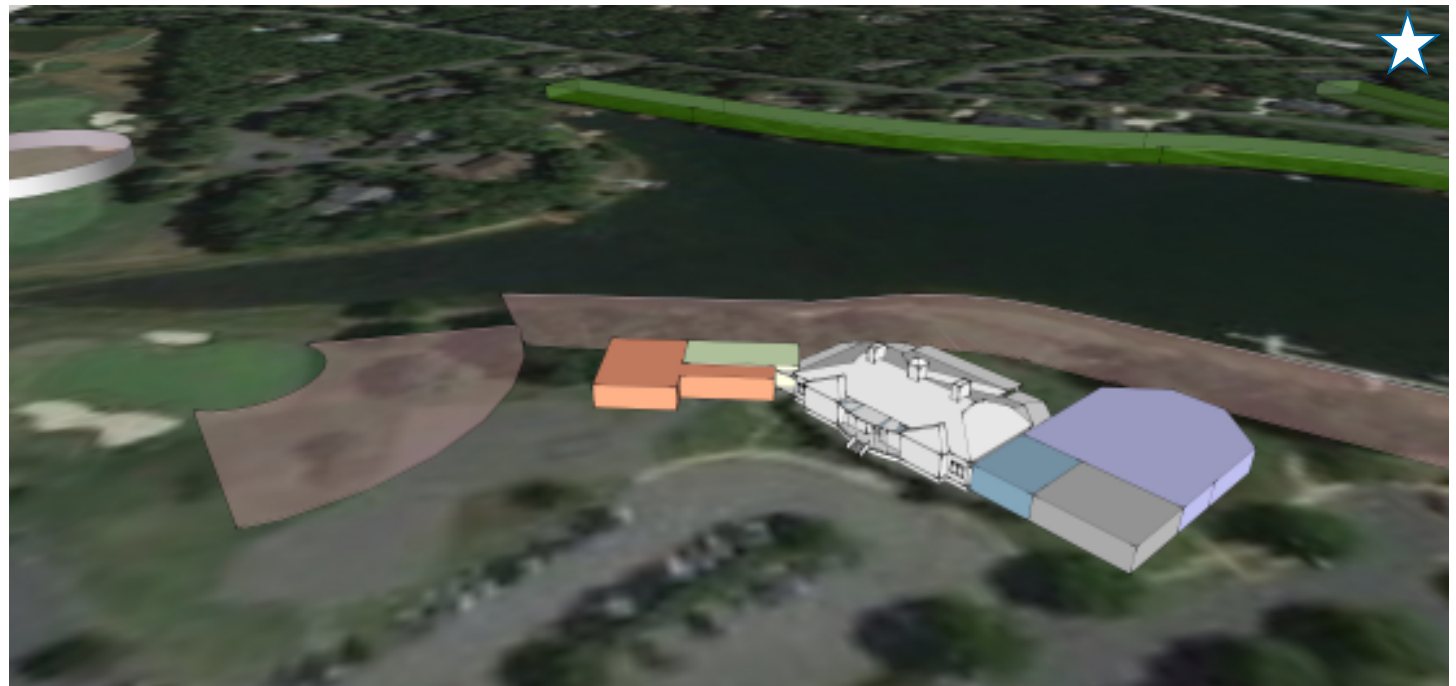
St. Clair County Club



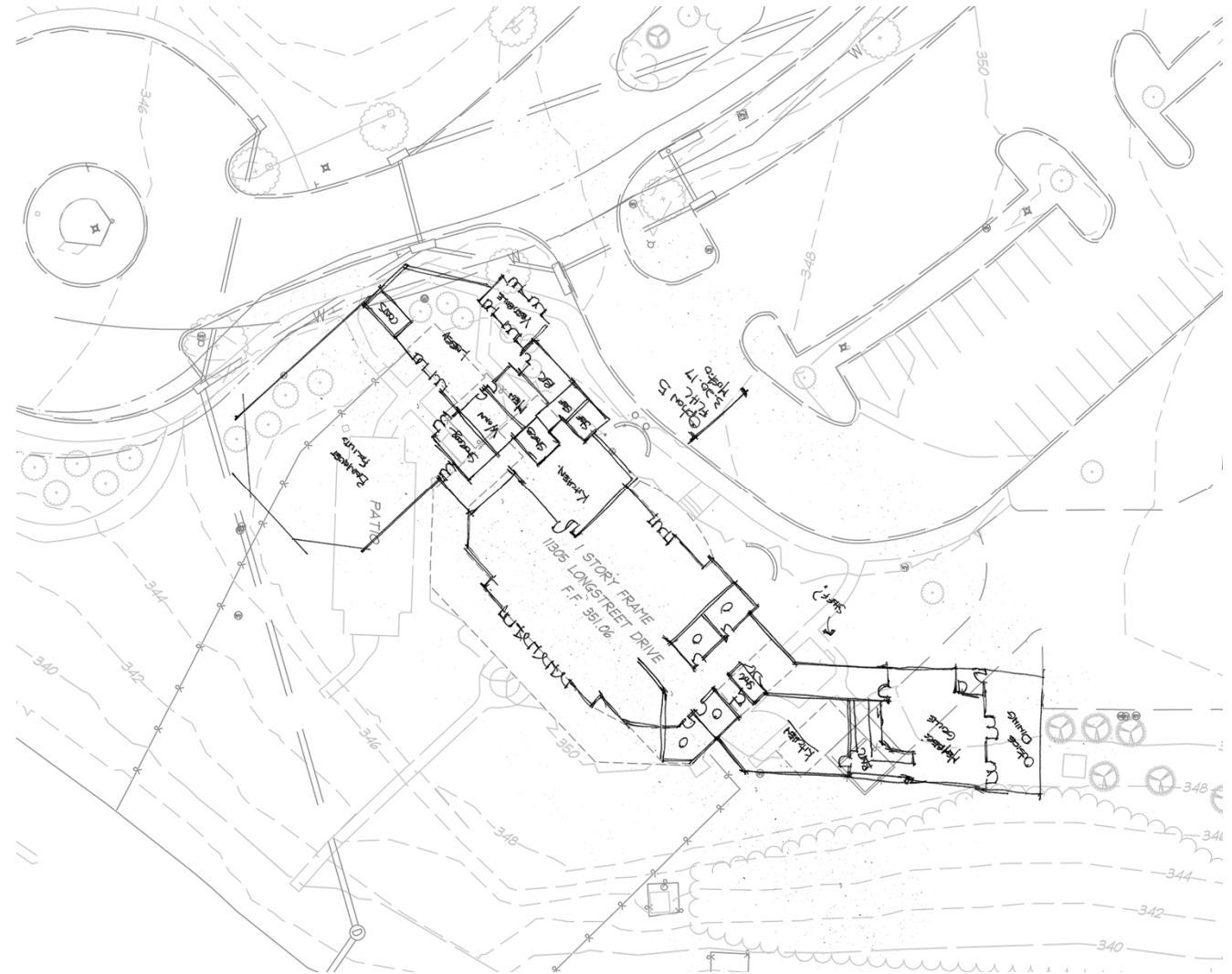
**Process**

- Vision
- Mission & Goals
- Program
- Site/Building Review
- Schematic Design
- Multiple Concepts
- Concept Selection
- Design Development
- Evolving Process

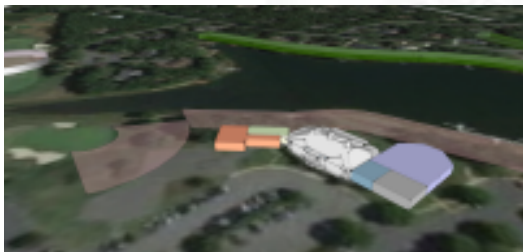
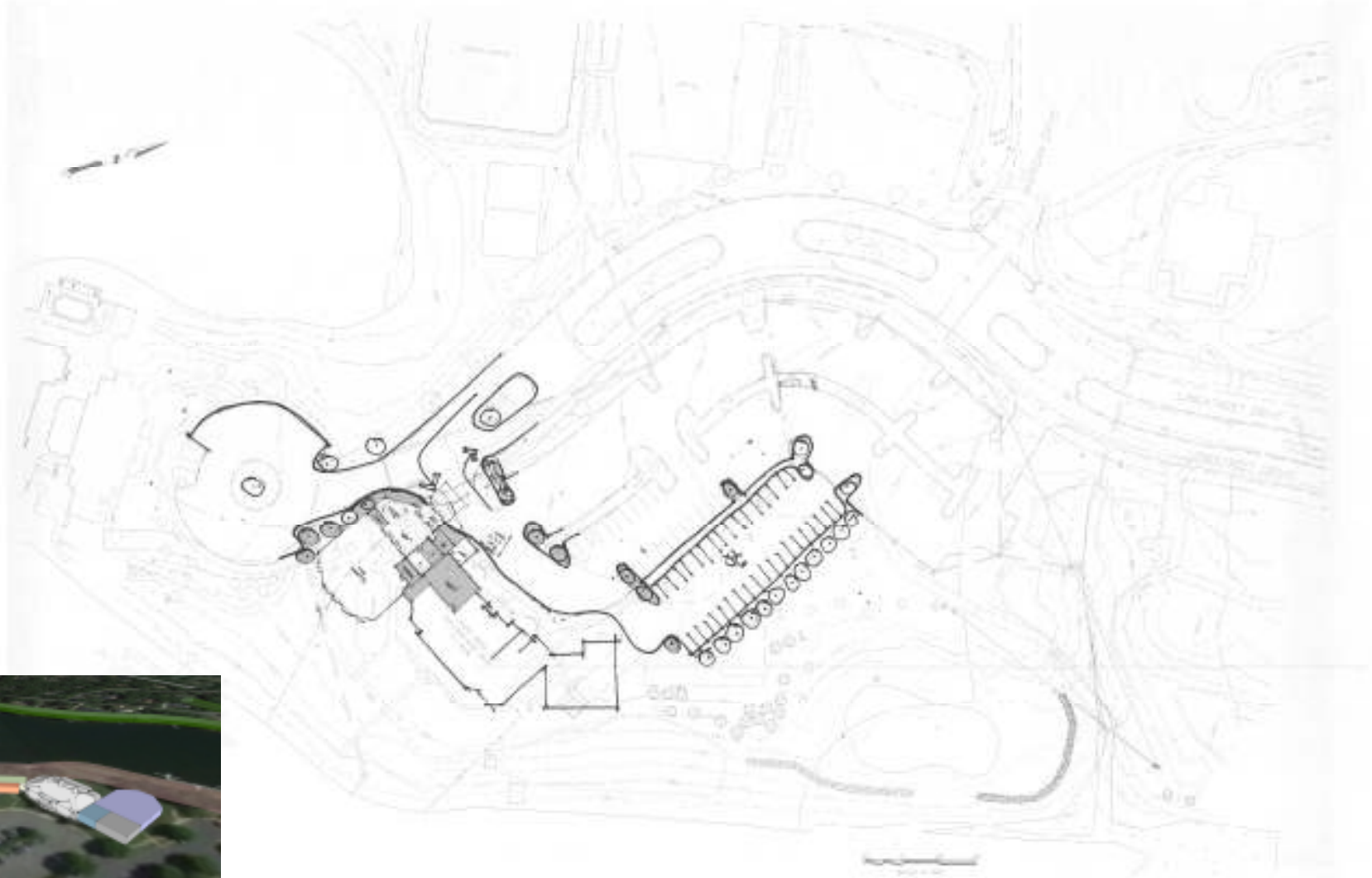
- Member's Grille
- Banquet Facility
- Support Space
- Kitchen
- Circulation



Scheme 5



Scheme 5



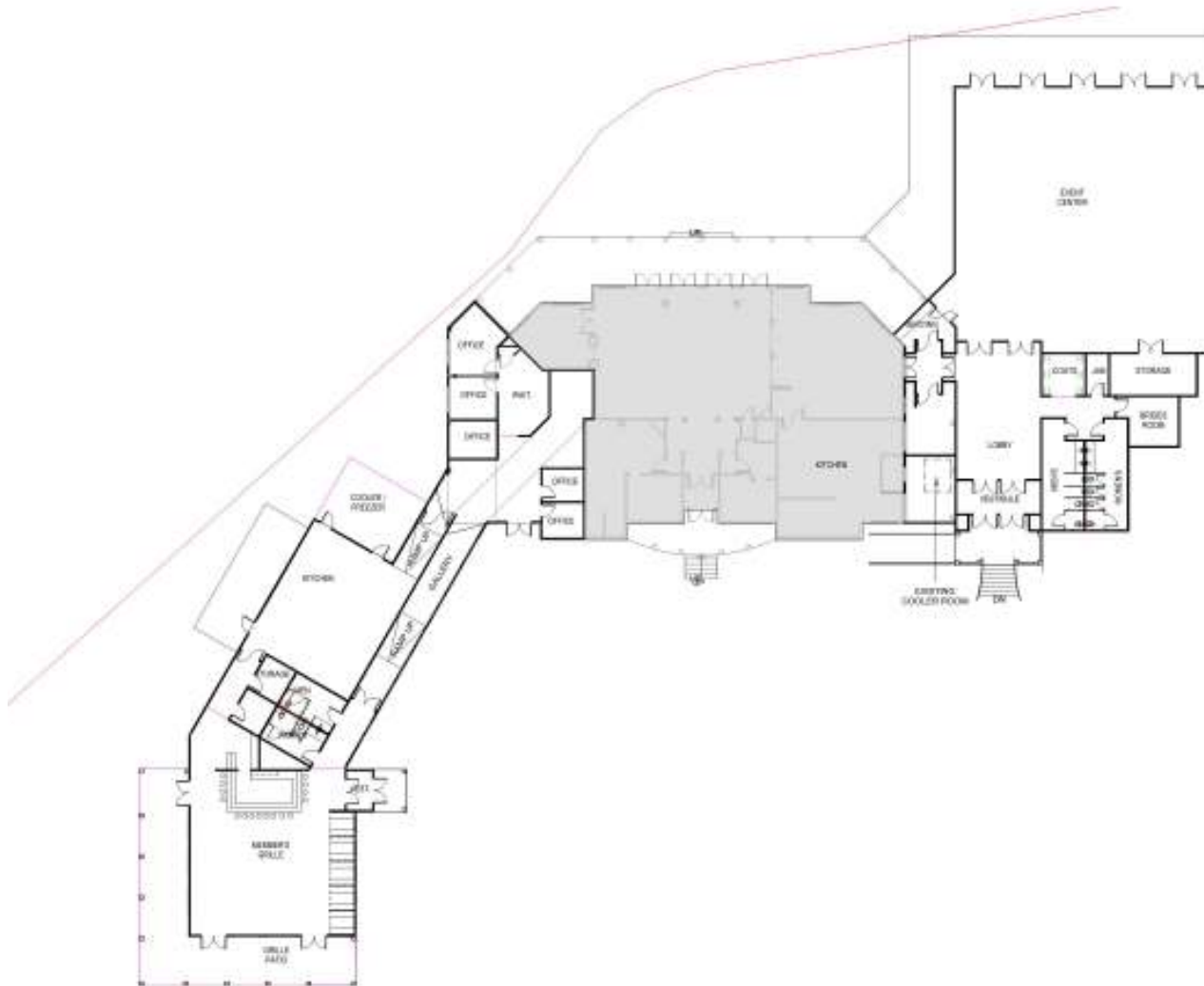
Scheme 5.1



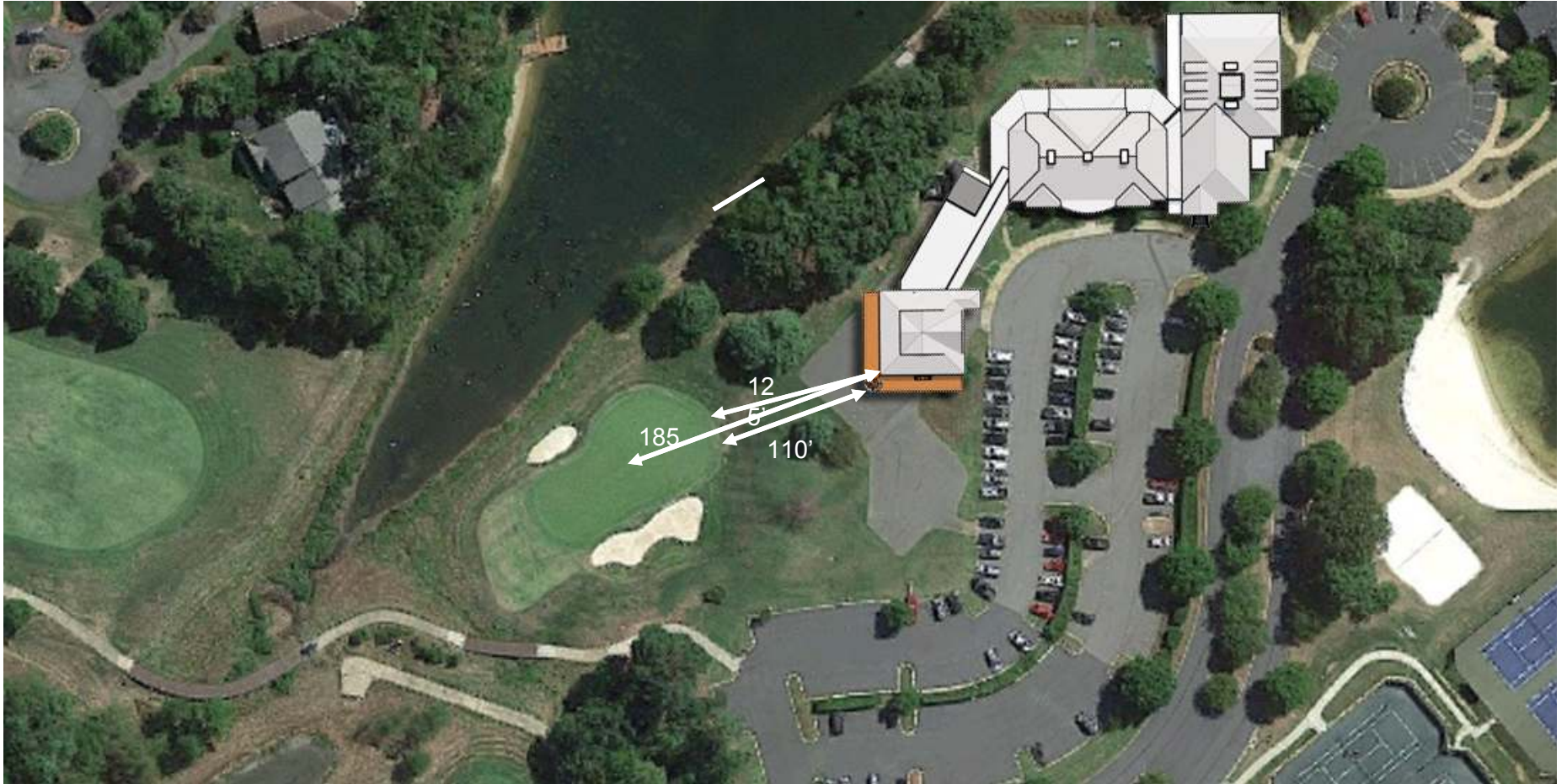
Design Drivers



COMPREHENSIVE PLAN



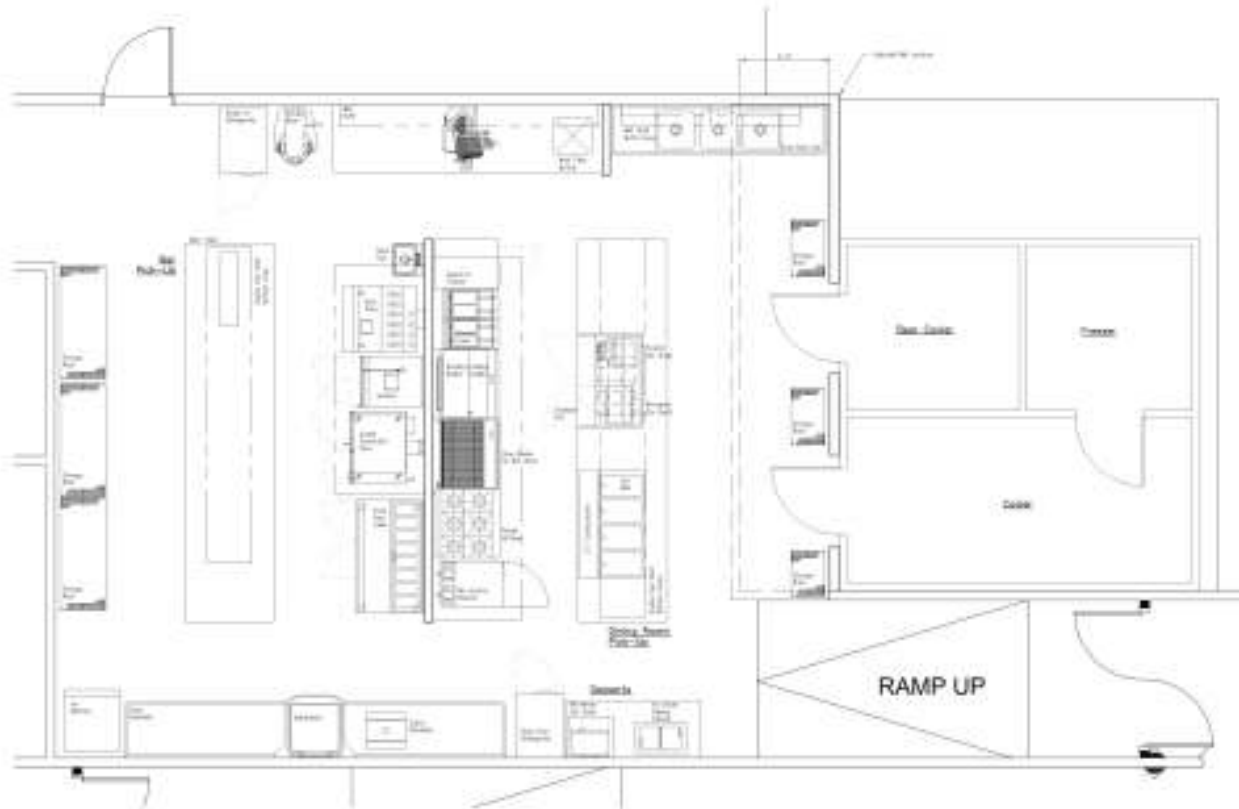




MEMBER'S GRILLE ENLARGED PLAN



Atlantic Kitchen Layout

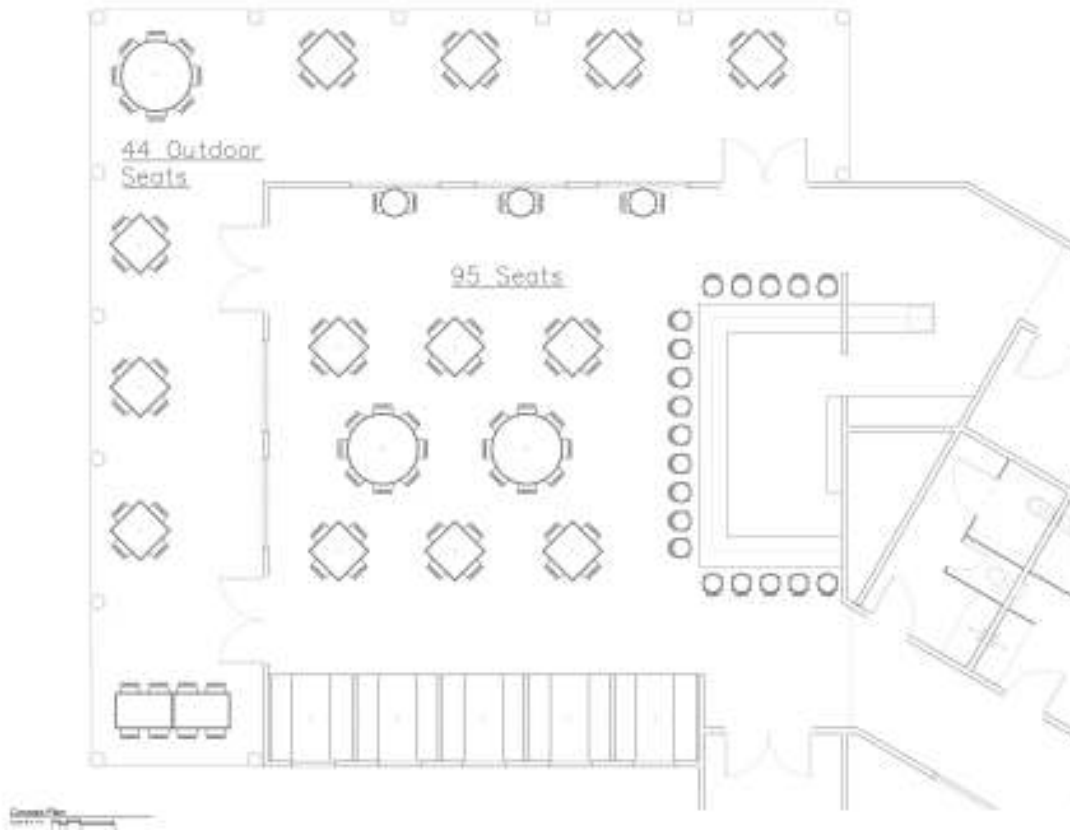


Kitchen  
Plan  
March 2011  
From Life  
Architecture Group

Concept Plan  
2011.03.11



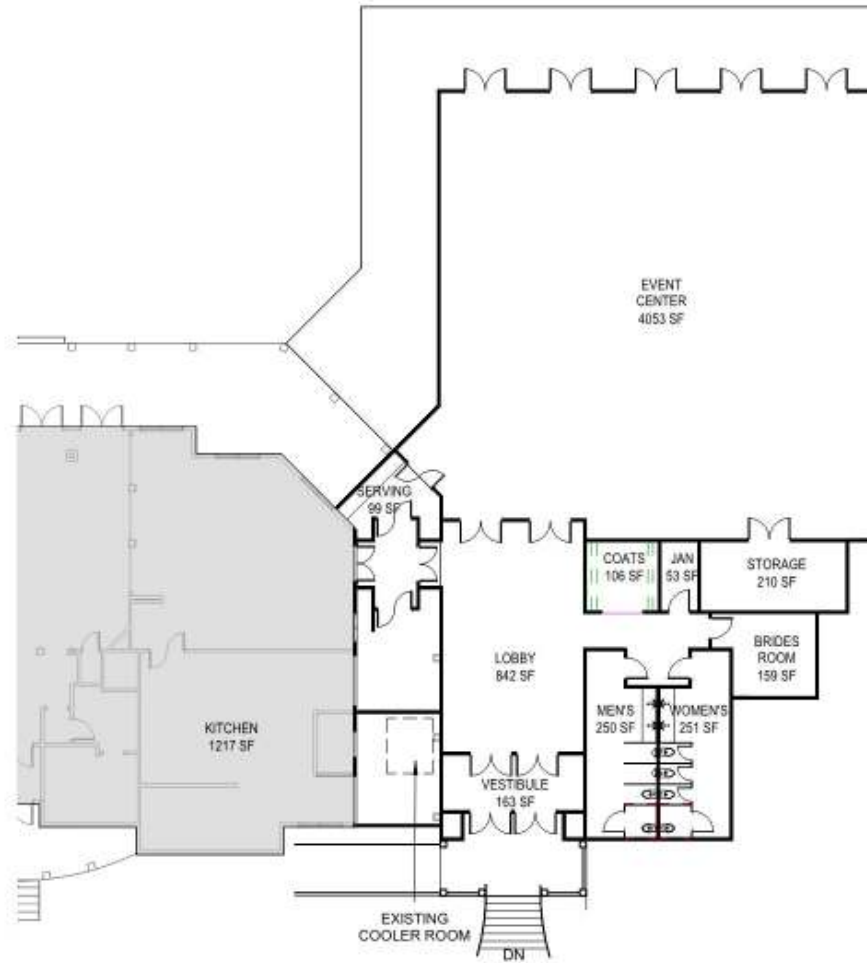
Atlantic Seating Layout



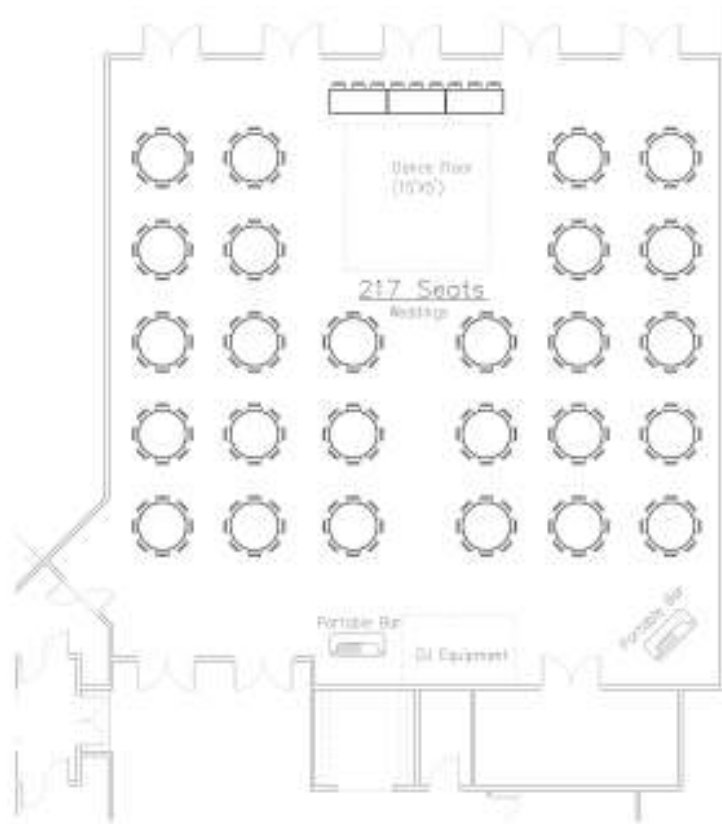
**BUILDING MASSING**



EVENT CENTER ENLARGED PLAN



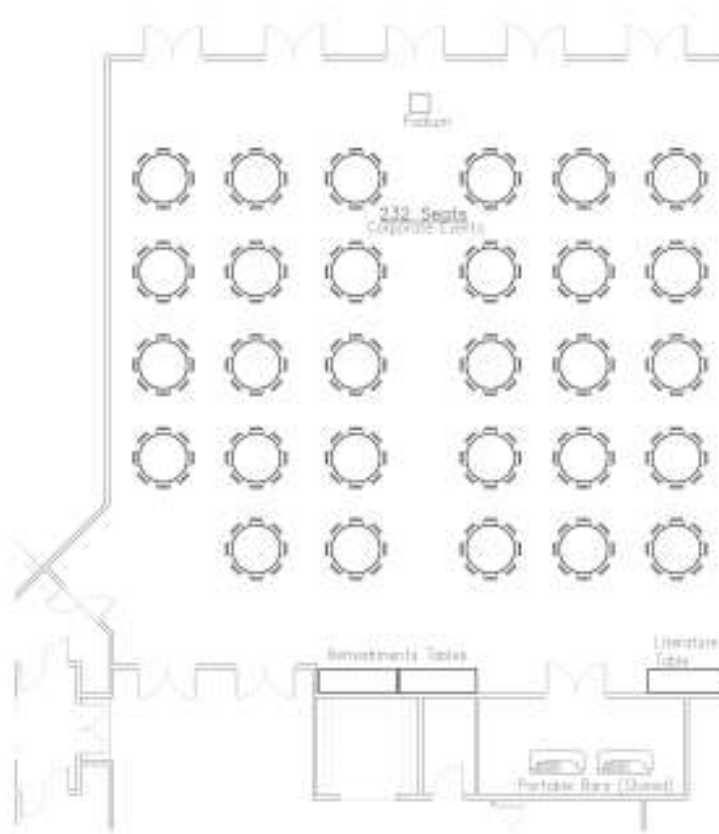
EVENT CENTER WEDDING SEATING



Created On: 10/11/2014 10:00 AM



EVENT CENTER CORPORATE EVENT SEATING



General Plan  
10/11/11 10:00am







SITE PLAN





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**BUILDING IMAGE AND MASSING**





Members Grille











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Event Center













## Site Design Considerations

- Increase parking on the site
- Add golf cart parking
- Provide alternative access path to the Beach
- Manage traffic at the front of the club
  - Redirect traffic entering the Club
  - Remove landscaping to enhance the visibility of the Club
- Provide outside amenities
  - Fire Pit
  - Patio



# Site Design Considerations

## Parking Supply Comparison

|                            | <u>Current Parking Configuration</u> | <u>Proposed Parking Configuration</u> |
|----------------------------|--------------------------------------|---------------------------------------|
| Existing "Harbor Club Lot" | 148 Spaces                           | 166 Spaces                            |
| Cul de sac                 | 22 Spaces                            | 22 Spaces                             |
| Practice Range Parking     | 33 Spaces                            | 33 Spaces                             |
| Golf Cart Parking          | 14 Spaces                            | 31 Spaces                             |
| Handicap Parking Spaces    | 4 Spaces                             | 8 Spaces                              |
| Total Spaces               | 217 Spaces                           | 252 Spaces                            |



# Fawn Lake

COUNTRY CLUB





# Harbor Club Expansion

## Next Steps

- Establish the project is within overall project budget
- Prepare detailed financial plan to support project moving forward
  - Negotiate final terms with Bank
  - Review all costs and model projections
  - Prepare Pro-forma financials
  - Prepare detailed plan for moving forward
  - Present plan for adoption to FLCC Board
  - Present financial plan to membership
  - Present plan for review by Asset Management and the FLCA Board
- Authorize Design Team to proceed with Phase II Final Design services



## Summary

You have the most influence on our continued success. Your individual contributions through amenities utilization have multiple positive impacts which sustain operations and help shape our offering going forward.



# Questions and Answers

## Questions and Answers:

- One Question per Member please
  - Wait for the microphone
- Please focus questions on information presented this evening
  - Thank you for your courtesy