



# 2017 Membership Meeting

November 14, 2017



# Overview

- Introductions
- Election Results
- Harbor Club Expansion
- Financial Performance
- Summary
- Open Discussion



# Who Are We?

- Our Mission

- *Fawn Lake Country Club is a private, nonprofit, family-oriented, social, athletic and recreational club dedicated to provide quality golf, tennis, dining, and related services*

- Our Vision

- *Building member value today and tomorrow*



## 2017 Board Members

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



## 2018 Board Members

- Larry Welford – Full Golf
- John Statler – Full Golf
- Deborah McManus – Full Golf
- Tim Powers – Full Golf
- Bob Stumpf – Full Golf
- Sean Gleason – Tennis/Social
- Ron Ball – Tennis/Social
- Steve Gress - Asset Management Liaison



## Management Staff

- Drew Falvey, PGA – Head Professional
- Dave Smith, Superintendent
- Heather Allen, Harbor Club Manager
- Kevin Crettella, USTA – Tennis Professional
- Michelle Cornelle, Finance/Administration



## Committees

- Harbor Club
- Golf
- Greens
- Tennis
- Membership
- Finance



## Membership

- Golf 206
- Tennis 30
- Social 236
  
- Total 472





## Harbor Club Expansion

### Frequently Asked Questions

- What is the Financial Impact to the Membership?
  - \$500 Assessment
    - Paid in 5 Installments beginning December, 2016
  - \$20 Dues Increase to all Members beginning in April, 2017
    - Builds Cash Reserve for Debt Service as requested by the FLCA



# Financial Overview

Lloyd Harrison  
Treasurer

# Top Line Revenues

<b>Revenues</b>	<b>Fiscal 2015</b>	<b>Fiscal 2016</b>	<b>YTD Sept '17</b>
<b>F&amp;B</b>	<b>\$ 823,469</b>	<b>\$ 870,034</b>	<b>\$ 660,199</b>
<b>Golf</b>	<b>\$ 482,939</b>	<b>\$ 488,772</b>	<b>\$ 407,974</b>
<b>Tennis</b>	<b>\$ 38,214</b>	<b>\$ 43,212</b>	<b>\$ 45,712</b>
<b>Dues &amp; Init. Fees</b>	<b>\$ 1,097,132</b>	<b>\$ 1,209,201</b>	<b>\$ 880,018</b>
<b>Total Op. Revenues</b>	<b>\$ 2,451,106</b>	<b>\$ 2,643,489</b>	<b>\$ 2,038,593</b>

# Detail on Membership Income

	<b>Fiscal 2015</b>	<b>Fiscal 2016</b>	<b>YTD Sept '17</b>
<b>Dues</b>			
<b>Social</b>	\$ 326,417	\$ 362,078	\$ 265,504
<b>Golf</b>	\$ 685,799	\$ 693,281	\$ 555,676
<b>Initiation Fees</b>	\$ 69,040	\$ 124,941	\$ 49,636

# The Bottom Line

	<b>Fiscal 2015</b>	<b>Fiscal 2016</b>	<b>YTD Sept '17</b>
<b>Total Expenses</b>	<b>\$ 2,124,923</b>	<b>\$ 2,079,967</b>	<b>\$ 1,650,725</b>
<b>Net Income*</b>	<b>\$ (57,202)</b>	<b>\$ 166,308</b>	<b>\$ 81,435</b>

**\*Excludes Capital Reserve Assessment and the \$500 one-time Expansion Assessment**

# YTD Top Line Comparisons to Prior Year and to Budget

<b>Revenues</b>	<b>YTD Sept '16</b>	<b>YTD Sept '17</b>	<b>Budget Sept '17</b>
<b>F&amp;B</b>	<b>\$ 650,524</b>	<b>\$ 660,199</b>	<b>\$ 652,550</b>
<b>Golf</b>	<b>\$ 381,153</b>	<b>\$ 407,974</b>	<b>\$ 428,161</b>
<b>Tennis</b>	<b>\$ 39,615</b>	<b>\$ 45,712</b>	<b>\$ 41,260</b>
<b>Dues &amp; Init. Fees</b>	<b>\$ 915,346</b>	<b>\$ 880,018</b>	<b>\$ 887,591</b>

# YTD Membership Income Comparisons to Prior Year and to Budget

	YTD Sept '16	YTD Sept '17	Budget Sept '17
Dues			
Social	\$ 268,861	\$ 265,504	\$ 280,000
Golf	\$ 522,343	\$ 555,676	\$ 523,800
Initiation Fees	\$ 113,241	\$ 49,636	\$ 65,769

# The Bottom Line Comparisons to Prior Year and to Budget

	YTD Sept '16	YTD Sept '17	Budget Sept '17
<b>Total Expenses</b>	<b>\$ 1,606,007</b>	<b>\$ 1,650,725</b>	<b>\$ 1,638,813</b>
<b>Net Income*</b>	<b>\$ 102,660</b>	<b>\$ 81,435</b>	<b>\$ 96,650</b>

**\*Excludes Capital Reserve Assessment and the \$500 one-time Expansion Assessment**



# Balance Sheet

Sep 30, 17

## ASSETS

### Current Assets

#### Checking/Savings

10000 · Cash Accounts

Total 10000 · Cash Accounts 102,382.59

10200 · Restricted Accounts

10210 · Union Capital Reserve 5566 158,506.63

10220 · Union HC Expansion 8547 207,524.26

Total 10200 · Restricted Accounts 366,030.89

Total Checking/Savings 468,413.48

Total Accounts Receivable 258,528.32

Total Other Current Assets 65,472.58

Total Current Assets 792,414.38

# Restricted Accounts

- Capital Reserve Fund
  - Essential Replacements: equipment and golf carts, for example.
  - Repairs: as needed, unplanned.
  - Renovation: big ticket items: greens, traps, tennis courts, planned
- Reserve Fund Strategies
  - Initial assessment for immediate essential replacements.
  - Recurring monthly assessment for equipment and repairs.
  - Cash accumulation over the longer term for renovations.

# Restricted Accounts

- Expansion Account
  - Restricted to accumulate the club's equity contribution of \$350,000
  - Of this, \$268,334.83 has been collected to date.
  - Balance to be funded through existing dues and club profits.
- Debt Service Reserve Fund
  - Restricted reserve account to be funded up to \$60,000 as a cash cushion for debt service.
  - Current balance is \$57,420.

# Balance Sheet

## Fixed Assets

<b>Total 15000 · Fixed Assets</b>	<b>29,530.17</b>
<b>16000 · Capital Reserve Fixed Assets</b>	
<b>16100 · Building Improvements Reserve</b>	<b>13,241.83</b>
<b>16200 · FF&amp;E - Reserve</b>	<b>942,645.26</b>
<b>16300 · Golf Course - Reserve</b>	<b>64,566.40</b>
<b>16400 · Tennis Courts - Reserve</b>	<b>4,932.00</b>
<b>17000 · Building Expansion</b>	<b>90,540.00</b>
<b>16999 · Depreciation - Reserve</b>	<b>-125,647.73</b>
<b>Total 16000 · Capital Reserve Fixed Assets</b>	<b><u>990,277.76</u></b>
<b>Total Fixed Assets</b>	<b><u>1,019,807.93</u></b>
<b>TOTAL ASSETS</b>	<b><u><u>1,812,222.31</u></u></b>

# Balance Sheet

## Liabilities

### Current Liabilities

Total Accounts Payable	59,127.06
Total Credit Cards	1,277.46
Total Other Current Liabilities	<u>163,793.52</u>
Total Current Liabilities	<u>224,198.04</u>

### Long Term Liabilities

27111 · Capital Lease-Reserve-TCF...301	16,257.91
27112 · Capital Lease-Reserve-TCF...302	54,360.97
27113 · Capital Lease -Reserve -TCF 303	108,552.27
27114 · Golf Cart Loan - Union Bank	143,131.75
27115 · Capital lease-Reserve-TCF-305	<u>70,052.03</u>

Total Long Term Liabilities	<u>392,354.93</u>
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Total Liabilities	<u>616,552.97</u>
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Total Equity	<u>1,195,669.34</u>
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<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>1,812,222.31</u></u>
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# Harbor Club Expansion

Larry Welford  
Vice-Chair



# Harbor Club Expansion Update

## Overview

- Update on Design Status
- Schedule Delay
- Final Design Status
- Overall Construction Schedule



# Harbor Club Expansion Update

## Design Status Update

- Schematic Design – Complete
- Design Development – Complete
- Design Development Cost Estimate – Complete.....But
- Value Engineering Effort – Complete
- Outline Project Specification – Complete
- Authorization to Proceed to Phase 1B Final Design

October 24, 2017





# Harbor Club Expansion Update

## Schedule Delay

- Design Development Cost Estimate – Exceeded Available Budget ( \$3,050,000)
- Final Design Could Not Proceed Until Budget Requirements Were Met.
- Value Engineering Undertaken to Achieve Project Budget Goal
  - Space Allocations
  - Materials Selections
  - Equipment and Furnishings
- Prepare an Outline Specification to Document Decisions Made



# Harbor Club Expansion Update

## Final Design Status

- Architect and Engineers are Engaged in Final Design Process.
- Geotechnical Engineering Investigations Complete
- Pre-Application Meeting with Spotsylvania County





# Harbor Club Expansion Update

## Construction Schedule Update

### Milestone Dates:

- Authorization of Final Design (Phase 1B) – Oct 24, 2017
- GMP Estimate – Jan. 15, 2017.
- Begin Foundation Construction – Jan 21, 2018
- Authorization to Complete Construction – March 15, 2018
- Substantial Completion of Building – Aug. 27, 2017
- Grand Opening – Sept 15, 2018



# Summary



## Frequent Questions

- Cart Paths
- General Golf Course Management
- Where do I get information
- How often are the Financials published



## In Closing

- Decisions made in 2017 will continue to have a positive effect on the strategic plan
  - The Club continues to operate in a profitable position
  - Continued use of activity planning has improved the overall use of the club by its members
  - 2018 will see the opening of the Members Grill and Event Center
- 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.



# Open Discussion

*Questions and Comments:*



