

FLCC Board of Directors Meeting Minutes
Monday, July 22, 2019, 6:30 pm

In Attendance: Ron Ball, Brett DeGallery, Steve Gress, Fred Jenne, Deborah McManus, Bret Shifflett, John Statler (via cell), Bob Stumpf, Michael Woodcock

Also Attending -- Larry Welford (for expansion update)

Deborah McManus called the meeting to order 6:31 pm

Harbor Club Expansion - Construction Update (Larry Welford)

- Sewer Line – Construction of the new sewer line is complete
 - Main is in
 - Laterals are in
 - Force main to the HOA building is in
 - Pressure testing/camera line complete and passed
 - As built surveys complete and submitted to the county
 - Easement plat
 - Submitted, reviewed and revised
 - Signed by Steve Gress (HOA Board Chair)
 - In the hands of the bank
 - Will resubmit it any day now
 - Then we will ask them to accept and connect
- Sewer Switchover
 - HOA – 4 hours or less
 - FLCC – 4 hours or less
- Siding on Member Grille
 - 80% completed
 - Window changeout on 18th green windows delayed completion
- Event Center
 - Wall framing complete
 - Roof trusses erected
 - Interior wall framing done
 - Flat roof to existing HC framed
 - Windows installed and flashed
 - Tyvek installed
 - Doors on site buy not yet installed
 - Rough plumbing in
 - Siding delivered (Friday)
 - Cupola framed
- Construction was shut down on July 4 and July 5
- Parking lot construction
 - Started and at rough grade
 - Curbs have been removed
- Car path construction started. Subgrade being adjusted.
- Lowering area to improve view of 18th green
 - Plan developed
 - Clearance to irrigation line verified
- Temporary Fios service has been installed. Permanent service being coordinated
- Member Grille
 - HVAC unites on site

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- Metal doors and frames installed. Gray color will be painted white
- Member Grille window redesign
 - Evaluated options
 - Architect revised drawings
 - Contractor priced
 - Change order has been issued and approved
 - Windows have been ordered
- Upcoming activities:
 - Parking lot and cart path construction
 - Pad behind kitchen
 - Member Grille veranda slabs
 - Switchover of both buildings to new sewer line
 - Roof installation on Event Center
 - Siding on Event Center

Harbor Club Expansion - Other Expenses (John Statler)

- We thought we had the audio-visual package with Raven Hi-Fi all wrapped up three weeks ago. Then we had concerns because the final estimate included an additional \$3,700 for wiring.
- Because of this John decided to get an additional quote from a company in Richmond
- Although we may still use Raven, we want to be sure we have competitive quotes
- We expect the fire pit hardware to come in this week
- The quote for the stone masonry work we got from GLMG was \$2,500. John spoke with another mason who thinks he can get the job done for less money. The mason is also evaluating the Flagstaff stone to ensure it meets the specs of the firepit.
- John discussed this with Aaron at GLMG and he was okay with having the stone mason work done independently

Harbor Club Expansion – Interior Design (Deborah and Ron)

- As previously mentioned, Anne Hale Interior Design, the firm who worked for the architect and selected our interior finishes and fixtures, has been retained by the club to help with interior design
- An important event will be on Monday, August 8 at 10 am. Ann Hale Interior Design will be on site for a walk-thru of the Member's Grille, MG restrooms, Hall of Fame, Event Center lobby, Bride's room, and Event Center restrooms. Members of the Interior Design Committee will also be attending along with Deborah McManus, Kristi Statler, Bret Shifflett and Heather Allen.

Harbor Club Expansion Financial Overview (Deborah McManus)

- After the third loan draw, the construction loan balance is \$571,080.45
- The construction loan interest only payments are expected to be lower than budgeted because we paid more beginning expenses with cash, thereby delaying the need for loan draws and shrinking the interest carry from 8 months to 6 months. If we can extend the interest only payments for 6 months, we will save more cash to use on the project. Formal request to the bank coming soon.
- NTS equity spent is \$400k to date. FLCC equity spent is \$335k to date.
- We continue to make monthly cash transfers into the expansion savings account for the \$500 assessment and \$20 dues / member. We reached the total cash requirement assumed (\$468,705) on June 30th as estimated and continue to save monthly to use for increased project cost estimates.

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- Expected extra needed cash is now \$55,898. This month's transfer will be \$16,000 which lowers number significantly to \$39,898.
- Deborah provided a draft of a potential fundraising project that offers an opportunity to expand the project's original scope of work and add important features that would make a huge impact on our project. The Board discussed the draft, had a positive response and Deborah will continue to work the opportunity and return to the board with a suggested fundraising program.
- Recent change order of \$4,937 to put 3 larger windows in Member Grille
- \$1,408,556 of total HC expansion budget spent to date
- In advance of the meeting, board members received new Welford Engineering contract for additional design engineering and stakeout services needed, largely due to county changes related to the sewer. Total amount of contract is \$13,200, of which just \$3750 remains to be completed.

Finance (Michael Woodcock)

- Beverage COGS down in June
 - Needed to get new \$2,000 refrigerator
 - Also had to get new compressor
 - There was \$3,000 for building improvements for the tennis building
 - As previously mentioned, we'll need to use our line of credit needed for the August 3 payroll month
 - Cash flow is good
 - Long term liabilities, primarily the expansion, construction loan
- June P&L vs budget
 - Food & Beverage close to budget – missed by 1.05%
 - Golf up by 3.83%
 - Tennis significantly under. Need more marketing effort for tennis lessons.
 - Membership exceeded budget by almost 9%
 - Need to continue efforts to reduce COGS
 - Salaries & Benefits, Operating Expenses, Repairs & Maintenance, Other Expenses over budget

FLCC Dashboard (Bret Shifflet provided)

Dashboard was emailed prior to meeting and handed out. Board members reviewed individually.

- June Overall
 - Revenues were \$294,716 vs budget of \$289,499 and 4% over June 2018
 - COGs were higher because golf merchandise costs were higher than projected
 - Labor up by 2% because of need to add Sous Chef along with extra line cook
 - Operating expenses up because of food spoilage due to equipment issues
 - Utilities under budget
 - Net income under budget because of unbudgeted expenses
 - Even so, YTD positive, \$29,184 net profit vs budget of (\$14,770) and 2018 loss of (\$54,844)

Asset Management (Steve Gress)

- Need to do bill of sale for business tangible property
- Monthly paying \$15,453.88 P&I. Between now and January need \$108,177.16.
- Another contribution of \$10,000 to reserve account
- Community is contributing money, we're managing \$3M loan. Been reducing year to year.
- Limited in what can use funds for: mortgage, reserve account, paying down principal, real estate taxes
- Asset Management is supportive of the FLCC and ensuring that it is managed well

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Membership Committee (Bob Stumpf)

- Membership Statistics, June 2019

<u>Type</u>	<u>Current Year</u>	<u>Prior Year</u>	<u>Variance</u>	
Golf	205	187	18	2014 High
Sports	20	22	-2	
Tennis	33	26	7	
Social	268	255	13	High 269
Total	526	476	36	2012 High

- 14 New Members -7 Resignations = 7 Net Increase
- Total includes 25 non-resident Annual members

- Fawn Lake Open House, June 30, 2019

- Total team effort, Golf, Tennis, & Harbor Club
- 12,000 direct mail flyers to surrounding communities with \$100k income
- 400 flyers delivered to Fawn Lake residents
- NTS underwrote most of expense and had a sales/information table
- Amy Simpson critical to success
- Response to flyers
 - 36 families; 27 non-FL residents; 7 FL residents; 2 FLCC
 - 500 visits to Golf Experience page created for event
 - 463 unique visits (one time)
 - 37 back a second time
 - Each visit almost 2 minutes
 - Great numbers! Normal visit is 10-20 seconds
- Facebook Ad
 - 8656 people reached
 - 77% (men) viewed ad on mobile device
 - 25-34 13%, 35-44 16%, 45-54 18%, 55-64 17%, 65+ 12%
 - 501 post engagements (second visit)
 - Cost: \$139.99; .30 per click
- Attendees: 18 Families; 49 people
- Acquired six new members
 - 3 Tennis; 1 Full Golf; 1 Junior Exec; 1 Social
 - 5 resident and 1 non-resident

- New Member Reception, August 10, 5:30-7:00 pm

- 43 names on list
- Formal invitations
- Only one decline so far

- We Want You Back Promotion

- Deleted reference to three months dues
- You may (can deleted) re-join at your previous membership level with no new initiation fee (Trial and Annual memberships not qualify)
- FLCC, Plan for the Offering of Memberships, Section D, Paragraph 5, Modification 5, dated August 27, 2018, authorizes
- Two \$500 incremental IFs paid, August 27, 2018 and January 18, 2019

- Fall Promotion???

- Hold one more Fawn Lake Open House for prospective members
- Target

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- We Want You Back, 163 resigned members live in FL
 - Bret's prospect list, 150
 - Set date: Sunday, September 29
- Contest to Rename New Member Grille/Event Center
 - Leave Event Center to marketing team to name; contest only Member Grille
 - Hold raffle with one winner from those submitting names
- FLCC Brochure
 - Good idea; workout a few edits
 - Delivery same as Hard Hat Special plus realtors
 - Coordinate with Ron Ball and marketing team
 - Club will absorb the \$200 printing cost
- Initiation Fee Repayment Obligation
 - Policy has been to repay on a 4:1 basis, four Full Golf members join, one payout (4 x \$17,000=\$68,000). Cash payment of \$14,500 would count.
 - Now \$1500 annual payments until reach \$17,000
 - Propose that same philosophy be retained, 4:1 payout
 - Accumulate dollar value of Full Golf, Junior Executive, and Annual Full Golf initiation fee payments until \$68,000 is reached, then pay number 1 on waiting list
 - Now two resigned members on waiting list
- Special Meeting: Susan Avery proposal (Golf Single Membership, 24 months).
 - Triggered by death of spouse, divorce, Nursing Home
 - Offered one recommendation and one idea for consideration of the Board
 - Recommendation: Single Household membership with one occupant
 - Includes Social, Tennis, and Full Golf
 - 25% discount for dues only; reserve fee remains the same
 - Need to assess financial impact
 - Anticipate members will rejoin
 - Need certification that sole occupant
 - Board discussed. Decided to keep membership simple as is. Challenging to manage single household memberships.
 - Future Consideration: Senior Executive Full Golf membership
 - Passion for game and number of rounds wanes with age
 - Downgrades and Fawn Lake exodus to retirement homes
 - Must be 80 years of age
 - Dues would be the same as Junior Executive
 - Financial impact may dictate a higher entry age

Bob briefed board on the Fitness Group activities.

- Clubs within the Club
 - Hiking (Bruce Heintz)
 - Biking (Carol Max)
 - Running (Jeff Kramer/Dana Toarmina)
 - Yoga (Alicia Schwartzman)
- July 4th Run on Golf Course
 - Board approved with conditions
 - Meet with Helen Bradley
 - Check with insurance carrier

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- Met with Helen Bradley
 - Considered an “Event”
 - Required guards at each street crossing
 - Required Release of Liability from each participant
 - Concerned with conflicting message regarding entry to golf course
- Insurance carrier okay with signed Release of Liability
- Cancelled Event
 - Above concerns
 - Risk associated with deteriorated condition of cart paths
- July 4th Run in Fawn Lake streets
 - One email
 - 25 participants
- Turkey Trot Golf Course, Thanksgiving Day
 - Hold as Community Event
 - Require street guards and Release of Liability
 - Brief condition of cart paths and associated risks
 - Mark course with “irrigation” type flags
 - If successful, make July 4th Run on Golf Course a second Community Event
- Fitness Express
 - Final draft being prepared
 - Finalize document at August, 7 meeting
- Run to the Pub
 - Monthly street run to the Pub
 - Looking at Tuesday or Thursday

Golf Committee (Brett DeGallery)

- The 2019 Mens’ & Ladies’ President’s Cup is set for Saturday, August 10th and Sunday, August 11th
- The fifth "9 & Dine" of 2019 will be on Saturday, July 27th
- The "Member-Member" was postponed in the interest of safety and the enjoyment of our members. It wasn't a maintenance issue.
- The makeup date will be Saturday, October 5th and Sunday October 6th
- We now have a ladies photo book
- The long range planning committee info is on the blog
- Brett discussed the Golf Course guide which we receive for free. The company who publishes it earns revenue from ads in the guide. We should receive printed guides about 90 days after submitting our contract.
- We are also doing a member guest tips book
- The Board discussed a golf member who other members have complained about even in writing to the Board. Although the member’s behavior is negative, at the present, it doesn’t warrant any Board actions. Brett will come up with a creative solution.
- FLCC’s PGA Professional, Drew Falvey, fought through a tough qualifier to play in the 2019 Delta Dental State Open of Virginia on July 18-20. Drew shot 72-75 to make the cut and 76 on Saturday to finish +7. He finished in the TOP-20 of all professionals in Virginia.

Greens Committee (Brett DeGallery)

- The Greens committee has an upcoming meeting
- The heat wave has been brutal for golfers, staff, and the golf course

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- Because of excessive heat weather conditions, we went to a golf cart path only after 10 am to prevent damage to the greens. Ultimately, we didn't have a lot of people out because of the heat.

Tennis Committee (Fred Jenne)

The Tennis Committee's upcoming meeting is on July 26

- The work on the Tennis Shed has been completed. The interior was painted, the rug was installed and our tennis pro, Brian Ratzlaff, had his computer set up. The ball machine enclosure was assembled on 7/22 and will allow authorized ball machine usage without requiring access to the tennis shed.
- The FLCC Tennis Championship Series is progressing and on schedule for the first time in history. New protocols appear to be working well. Close follow up is necessary.
- "Breakfast at Wimbledon was a resounding success, and we've received compliments from the membership regarding Brian's efforts at organizing the on-court event. The breakfast (part 2) was excellent and everyone enjoyed the event.
- We want to improve our marketing and communications to the membership. Families received their information from multiple sources.
- We received an Intramural League update by Commissioner Jim Silk. (The Scrivani team is leading.)
- The FLCC Grandmasters vs the LOW tennis event at Lake of the Woods was well received and a success for both programs. The FLCC Grandmasters will reciprocate soon. We'll discuss the date at our next meeting.
- Brian Ratzlaff will report on shirts and hats
- Brian will also report on the successes he's having with his summer tennis programs.
- Fred Jenne will update the committee on the tardy hard-court repair. World Class Courts will be reporting to Fred this week. The company has been hampered by weather events at their other construction sites. It looks like we'll be on their schedule in August.

Harbor Club Committee (John Statler)

- Thermometers will be ordered and placed inside of all refrigeration units. A log will be implemented to record and better anticipate the malfunctioning of our equipment. **Follow Up ... sandwich unit was still not functioning adequately so a new unit \$2,200 was ordered and should be installed later this week. Still waiting on gaskets for side-by-side refrigerator, adequate cooling currently
- Air curtain for back door will be looked at to be re-installed due to the long-time frame anticipated for cooler relocation. **Follow Up roof now built over walk in cooler, conditions much better for weather and bugs, air curtain probably not needed at this time
- We will get a quote and look to sign a service agreement with Ultimate Air for the service of all our refrigeration units.
- **Follow Up ... have not signed agreement with anyone at this time, Bret to also talk with Rich Hagerty at Kamap about service contract
- Passageway area will be closed-in via plastic next week by GLMG for dust reasons and possible health code violations. **Follow Up ... GLMG taped plastic over door leading to new event center which has significantly helped with dust and heat for the kitchen
- Wedding for July 14th, GLMG will put green tarp on both upper and lower areas.
- Plants for outside will be purchased, approx. \$1,300, will be reused somewhere for the club in the future. **Follow Up ... event went well, good reviews, no P&L statement at this time
- Sno Cone® machine to be ordered before July 4th and put in place at pool. **Follow Up ... Sno Cone® machine in use for Saturday and Sundays at the pool. New pool menu in place. Heather compiling pool financials for Bret. Seems to be averaging approximately \$300 per day. Trying to get accurate breakdown of total number of covers and member vs non-member figures.

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- Parking plan for events still in process. John will write up plan once we have signs approved and parking passes approved by Helen.

Social Committee (Ron Ball)

- Met on July 2, 2019
- Discussed recent events so social committee is aware of positive events
 - Trivia night unexpected turnout -- had over 100 people, no open seats
 - Patio Friday had over 100 people
 - Veterans Event had 81 people
- Wine Society Update
 - Communications
 - Need wine society info on public area of Website.
 - Might be reason to join club
 - Currently, only members can see after logging in
 - Put under "Social & Dining"
 - Need to continue communicating about WS to build membership
 - Requested board approval to send ongoing communications to wine society members as needed
 - Board approved request. Mark Bradley will coordinate with Bret Shifflett
 - 2nd complimentary tasting was Saturday, July 13th
 - Taste of Italy
 - Sampled 1 white and 3 red wines
- Golf Course Tour
 - Many social members have never seen how impressive the golf course is. Talked about doing a golf cart tour of the course open to all FLCC members
 - Bret Shifflett, Emily Emr and Drew Falvey working on plan
 - Will do later in year when cooler temperatures
- Mug club idea brought up
 - Have an area of the member grill for people to have their personalized beer mugs displayed
 - They get their mugs when they go to the club and order beverages
 - All the mugs are ordered from one vendor so they are all the same size
 - Mug club members would pay a lifetime fee
 - There is a limit on the quantity of mugs – 50 or 100. Once we hit the limit, people would be on a waiting list.
 - Marjorie Stratford and her friends are willing to manage the club
 - This could be a good way to raise some money
 - For example, with a limit of 100 mugs @\$100, we'd generate \$10,000
- Mug Club idea tabled for further discussion
- Plan on doing a back-to-school bash for kids 10 and under
 - Date might be August 6 or 12
 - Early evening around 5 pm
 - Kid friendly buffet menu
 - Relay games
- Plan on doing something to recognize Veterans around Veterans Day

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2019 Election for 2020 FLCC Board (Deborah McManus)

Vacancies to Fill:

1. 3 yr term 1/1/20-12/31/22: Social/Tennis/Sports
2. 3 yr term 1/1/20-12/31/22: Full Golf
3. 3 yr term 1/1/20-12/31/22: Full Golf
4. 2 yr term 1/1/20-12/31/21: At-Large replacement for Fred Jenne appointment
5. 2 yr term 1/1/20-12/31/21: Full Golf replacement for Brett DeGallery appointment
6. 1 yr term 1/1/20-12/31/20: Social/Tennis/Sports replacement for Michael Woodcock appointment

Nominations Committee & Process: From the By-Laws: *“The committee shall be at least 5 members, all of who are members of the club, and no more than two of whom shall be sitting members of the board”.*

- Deborah and John will co-chair the nominations committee.
- Nominations committee will be Deborah McManus, John Statler, Amy Simpson, Jeff Dieters and one other person to be determined.
- The goal of the committee is to nominate a slate of candidates, one candidate per slot.
- If the nominations committee receives an unsolicited nomination, they can choose to include or exclude that member in their candidate slate as they see fit (excluding a current board member for re-nomination requires board vote).
- If a member is not included in the slate but still wishes to seek election, the member has a two-week period to collect signatures on a petition to have their name included on the ballot. They need 15% of the membership to sign the petition (as of today that would be 79 members).

Election Logistics: Deborah will send election BOGs as scheduled below. Sarah will conduct the online election process, those few members who do not have an email address will have a ballot mailed to them. Chair appoints 3 “Tellers” (non-board members or candidates) who certify results to Secretary.

Important Dates: *(Italic dates are set by by-laws)*

- *On or before Oct 1: Chair stands up nominations committee at a board meeting*
- *Mon Sep 30: E-mail to membership announcing elections and requesting nominations.*
- *Mon Oct 7: Submissions to Nominations Committee are due.*
- *Tues Oct 8: Nominations Committee announces recommended slate.*
- *Tues Oct 22: Deadline for petitions to add nominee to ballot.*
- *Tues Nov 5: Ballots e-mailed to membership.*
- *Tues Nov 19: Ballots due at noon*
- *Tues Nov 19: Results announced at annual meeting*

Our annual meeting will be held Tues November 19th at 7:00 PM.

2020 Board Structure

In early January, the 7 board members will have an organizational meeting:

- The Chair, Vice-Chair, Treasurer, and Secretary are elected by the 7 members
- The Chair appoints committee chairs:
 - Finance
 - Membership
 - Golf & Green (together or separate)
 - Tennis
 - Harbor Club & Social (together or separate)

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- Other as decided by chair

Meeting adjourned at 10:17 pm

Next meeting: Monday, August 26, 6:30 pm