

FLCC Board of Directors Meeting Minutes
Monday, October 28, 2019, 6:30 pm

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

Also Attending -- Larry Welford (for expansion update), Amy and Dave Simpson (marketing strategy and processes)
Meeting convened at 6:35 pm

Marketing Strategy and Process (Amy Simpson)

- Reviewed “The Cove at Fawn Lake” 2019/2020 Marketing Strategy
- Services
 - The Cove Branding/Print
 - Social Media
 - Social Media Optimization
 - The Cove Advertising/Marketing
 - The Cove Web
 - The Cove Landing Pages
 - Multimedia
 - Email
 - The Cove Management/Reporting
- The Cove logo
 - Showed six options
 - The Board selected a logo they deemed to fit the look and feel of the brand

Harbor Club Expansion - Construction Update (Larry Welford)

- We have completed the two propane tank installations
 - Existing Harbor Club
 - Temporary tanks removed
 - Installed 1,000 tank in front of left side
 - Member Grille
 - Two 1,000-gallon tanks installed down from Member Grille and south of the 18th green
 - Permanent gas piping installed
- Electrical rough-in for areas A and B progressions
 - Permanent service cabinet installed
 - Underground service conduits installed
- Cart path work behind 18th green nearing completion
 - Grading and stabilization done
- Parking lot construction nearing completion
 - Last section of cart path and curb needs to be completed
 - Small modification in existing parking lots
 - Weather permitting, we’ll do the paving next week
- The building roofing is complete
- The roof leader system/gutters and downspouts are installed and completed
- HVAC
 - All rooftop HVAC units are in their final locations
 - The relocation of the existing units to the roof of area A is complete
 - All units successfully re-fired
 - All accomplished in one day
 - Temporary platform in front of the event center has been removed
 - HVAC ductwork installation has begun
 - Area B is more advanced, includes ventilation for large kitchen hoods

FLCC Board of Directors Meeting Minutes
Monday, October 28, 2019, 6:30 pm

- Area A about 50% installed
- The screening of the HVAC units is not yet complete
 - The design revision has been approved
 - We're waiting for final pricing
- Veranda ceilings in area B have been completed
- Glass and closing hardware have been installed on all new doors
 - Door handles have not yet been installed
 - Doors have been primer painted
 - Goal is to secure building ASAP
- Temporary lighting has been installed in areas A and B for security
- Final grading around building is progressing
 - Provided stabilization to get the grass to grow
- Most of the sidewalks have been installed
 - Exposed aggregate is a good match to existing HC sidewalk
 - Sloped sidewalk to for handicap access to existing HC completed
 - Limited interruption to handicap access
 - Created temporary access corridor
 - Removed wood ramp
 - Poured new concrete walk
 - Minor change to layout at front of Hall of Fame provides better balance
- Ginny has done extraordinary job of setting up beautiful temporary landscaping
- The temporary construction fence has been removed
- The larger replacement windows on the 18th green side of the Member Grille have been installed
- The new ventilation hood over the stoves in the new kitchen has been partially installed
 - Next step is connecting the hood to the roof mounted fan units
- The surface flaws in the Member Grille patios have been resolved with the concrete contractor
 - The slabs will not be removed and replaced
 - Instead, we will receive a credit from the concrete contractor
- The refrigerator/freezer in the Member Grille is tied into and flashed to the new building
- Stonework
 - The stone façade has been installed on the foundations below the water table trim
 - The Event Center stone is being installed
- The siding on the building is complete
- Repairs were made to the front of the existing HC where rotted wood was found at the base of the front wall

Harbor Club Expansion - Other Expenses (John Statler)

- Because of obstruction in Event Center ceiling, we required a short-throw projector. Cost from Raven HiFi was \$1,400 additional. This projector should also give us better illumination.
- Need two additional speakers for restrooms
- Floating docks relocation
 - In discussions with HOA and Asset Mgt about moving floating docks further away from Event Center to help separate the Harbor Club and Event Center
 - Talking to vendor about doing the work
 - Estimate is \$3,2000 plus installing a new path to docks.
 - Moving dock poles manually without equipment
 - If can't do manually, will need to look at other options
- Have four Member Grille windows for sale

FLCC Board of Directors Meeting Minutes
Monday, October 28, 2019, 6:30 pm

Harbor Club Expansion – Expanded Scope, Bank Financing, Financial Tracking Spreadsheet (Deborah McManus)

- Total loan draw is \$1,151,968.90, just shy of halfway through drawing down the \$2.4M loan
- Total FLCC equity spent to date in cash is \$391,242.93. NTS has contributed \$400,000.
- Atlantic Union Bank has extended the interest only period for six months
 - FLCC, FLCA, and Asset Management signed and executed the loan modification
 - The interest rate reset date and maturity date do not change, just the permanent loan conversion date
 - Our first full P&I payment has been changed from November 13, 2019 to May 13, 2019. This will greatly assist cash flow as we open the expanded Harbor Club.
- As of today, construction costs, including change orders stand at \$2,792,558, which after the \$25k contingency is \$54k or 1.99% over budget and being funded with the current \$20/member dues allocation.
- Expanded Scope
 - Four Lifetime Memberships have been sold for a total of \$140K. Three other members have approached Bret with interest in doing lifetime memberships, one requested we hold a spot until December. Board will do that and re-address at the Dec 16th board meeting.
 - Currently reviewing and pricing various items to be funded with the fundraising campaign, target to finalize by November
 - Estimating outdoor furniture member grill about \$30K
 - Event Center Cove Chivari chairs, vinyl wallpaper, lectern, portable bar
 - Window shades in Member Grille and Event Center
 - Estimating \$6,300 to replace existing HC outdoor carpet
 - Estimating \$12,000 to reseal and reline the existing parking lot.
- After reviewing three proposals and calling referrals, the Landscape Architecture services proposal from CiteDesign of Richmond was selected and awarded
 - Estimate is \$15K
 - Their landscape architect met on site with Deborah, Bret, Dave, and Ginny on October 15th to review the requirements of the project and kick off design work
 - Expecting initial schematic design beginning of November

Voting on Name of Member Grille

- Reviewed a list of names submitted by members
- A motion was made and seconded on a name for the new Member Grille. The Board vote was 6-1 in favor of the name, “Lakeside Grille” which fits well with the names, “Harbor Club” and “The Cove at Fawn Lake.”

Finance (Michael Woodcock)

- September balance sheet
 - Total current assets are \$985,613
 - Total current liabilities are \$364,775
 - Total assets are \$3,563,277
 - Total liabilities are \$1,713,232
 - Total equity is \$1,850,045
- September P&L
 - Food and beverage, golf income exceeded budget
 - Tennis down
 - Membership income strong because of golf and social initiation fees
 - Total income was 114.24% of budget
 - Need to get COGS down

FLCC Board of Directors Meeting Minutes
Monday, October 28, 2019, 6:30 pm

- Salaries and benefits under budget
- Operating expenses, repairs and maintenance expenses on target
- Utilities and other expenses up
- Net ordinary income at \$56,846 which is 241% of budget
- September net income significantly up because of two golf lifetime memberships
- YTD P&L
 - September net ordinary income \$62,625 which is 5% under budget
 - YTD net ordinary income \$62,625 vs 2018 YTD loss of -\$11,385

Finance -- Dashboard and Capital Reserves Report (Bret Shifflett)

- September Dashboard
 - The Club had \$301,856 in revenue in September -- the highest it has had since changing ownership in 2010
 - Golf is doing well because of increased memberships, good weather and increase rounds. Gross Profit 23% better than budget.
 - Had 12 new social memberships. Harbor Club F&B COGs good. F&B better than expected, but not able to match last year's event revenue.
 - Up seven tennis memberships this year. Unable to provide on-court lessons in September. Complimentary Jr. clinics were a hit. Merchandise sales didn't make up for missed lesson revenue.
 - Increases in labor in all departments offset by a savings in tennis labor
 - Referral credit up \$1K, HC entertainment up \$1K, Dishwasher rental added
 - Miscellaneous expenses: Tree removal, increased equipment repairs, telecom, electricity up
 - Simpatico marketing added this year, Insurance
 - Seed and fertilizer program had continued success – income of \$18,748
 - Overall YTD profit slightly under last year – down \$1.2K
 - We're holding our own even though we are missing wedding and room rental income
- Capital Reserves
 - Capital Reserve contributions tracking ahead of budget, estimated to be \$238,917 by year end.
 - Capital reserves spent for the Harbor Club/Tennis/Business Office through 10/23 were \$31,135.89. Needs are significantly higher than budgeted because of our kitchen equipment lease that started a few months earlier than planned and a couple of pieces of existing kitchen equipment which failed and required replacement. Our new 12/31 capital reserves estimate for Club/Tennis/Business Office totals \$35,119.
 - Golf Course/Golf Operations capital expenditures are tracking well with \$145,373.13 spent through 10/23 and year end estimated to be \$191,475.22. We may hold off until next year on a few expenditures such as the Irrigation Pump Skid/Manifold Replacement and the Wash Pad at the Maintenance Facility (meet code) depending on vendor availability.
 - John and Bret requested a capital expenditure of \$1,500 for an AED defibrillator system in the Harbor Club \$1,500. Instead, we will do this out of the HC expansion budget and place in the new Harbor Club hallway.
 - As mentioned in the existing kitchen, there's a lighting and ceiling tile issue. The request is for \$2,500 to \$3,000 to replace the lighting fixtures and the kitchen ceiling tiles. The decision was to expense this instead of adding a capital expenditure.

Membership Committee (Bob Stumpf)

- Membership Statistics, September
 - Golf 201
 - Sports 20
 - Tennis 32

FLCC Board of Directors Meeting Minutes
Monday, October 28, 2019, 6:30 pm

- Social 291 Highest # ever
 - Total 544 Up 44 over prior year
- Hold contest with goal of 100 new members this year
 - 81 new members to date
 - Board-O-Gram released October 21
- Member feedback
 - Redo crosswalk from 9th to 10th hole. Note: this was done by the FLCA.
 - Black topped over during street overlay
- New Member Reception
 - November 17 at the home of Kathy Wanat
 - Over 100 potential guests
 - Froze guest list; new members put on waiting list
- Fall Promotion (Fall Frenzy)
 - Free dues Nov-Jan
 - Flyer included in Board-O-Gram released October 21
 - Mailed to non-members in Fawn Lake
- Contest to rename the Member Grille
 - Closed October 14; announce at Annual meeting on November 19
 - FLCC Board to make selection
- Harbor Women
 - Placed on hold; deeply disappointed
 - Held first meeting before last Board meeting: Kristy McDormally, Sally Elliot, Sherry Pressley, Carla Deutsch, Darlene Burke, Marietta Gress
 - Meeting scheduled with Ron Ball, Bob Stumpf, Kristy McCormally, and Sherry Presley on October 29
 - Need programs, activities, volunteers, and leaders to assist paid staff and to attract and retain members
 - Board agreed to proceed on planning 2 “blow-out” events
- Country Club Outdoors
 - Designed to attract and retain members
 - Awaiting approval from HOA, Asset Management, and Board
 - Release of liability approved by insurance agent

Golf Committee (Brett DeGallery)

- Golf Rounds Played Report was briefed by Drew:
 - 1,930 rounds played in Sep 2019 (vs 1,406 in Sep 2018)
 - 11,373 rounds played YTD 2019 = (vs 9,859 end of Sep 2018)
 - Currently, we are: 80% member play; 10% outings; 10% public play (VSGA, etc)
 - Our target is: 85% member play; 15% outings; <1% public play
- The Golf Committee and Pro Shop staff are still emphasizing player check-in before the start of a round
 - We need to know who’s on our course for safety and proper billing
 - We are at about 85% right now but need to get to 100%
- Course Guides are complete and available for members.
 - Receiving very positive feedback.
- Upcoming events:
 - The committee reviewed all upcoming events on the calendar
 - It was noted that the season is winding down but still very busy. 10 events before next Golf meeting.
- End-of-season Survey
 - Each subcommittee is organizing a targeted survey for their members if needed
 - FLMG Survey sent. Very good participation, 51 responses as of these minutes

FLCC Board of Directors Meeting Minutes
Monday, October 28, 2019, 6:30 pm

- Ladies' Golf Subcommittee Update (Becki)
 - Closing Night was October 16
 - July 8, 2020 - Invitational
- Junior Golf Subcommittee Update (Chad & Jerry)
 - Two teams: *Travel*: 11 juniors that will play 6 matches vs other clubs in the area. *Club*: 15 juniors that play matches intra-squad here at FLCC
 - Travel Team currently 4-0 with two matches remaining
 - Parent-Child Tournament and End-of-season banquet at the Harbor Club planned for Saturday, Nov 9
 - For 2020: addition of 17U Jr PGA team (currently only have team in 13U)
- Men's Golf Subcommittee Update (Keith & Terry)
 - Closing Night is Thursday, November 14. Menu and itinerary were finalized.
 - Update on funds in FLMG account. Need to save money for Closing Night and 2020 Opening Dinner. Winners money was finalized.
 - Fawn Lake Sweet 16 and Fawn Lake Cup complete and winners announced.
 - Survey sent to members of FLMG
- FLCC Rules & Handicap Committee (R&H):
 - Hole handicap ranking review is needed. A new method for determining handicap strokes will be included as part of the World Handicap System starting January 1, 2020.
 - 2019 OB & Lost Ball New Rule Option is being reevaluated for possible implementation at FLCC.
 - The World Handicap System (WHS) begins January 1, 2020. An introductory message about the WHS was posted on the blog: www.flccgolf.com including current 2019 handicap posting guidelines. The R&H Members are attending a Seminar at Farmington CC on November 21. More information will be sent to members after that seminar.
- The next Golf Committee Meeting is Friday, November 22 @ 9:00am

Green Committee (Brett DeGallery)

- Reviewed and approved minutes from the previous meeting
- Update from the Golf Committee Meeting
 - Trying to keep Golf & Green Committee's close on all issues golf
- Dave presented a slide show summary of the past month; it is available on his blog: <http://flccturfcare.blogspot.com>
- Review of past two months:
 - Dry and Hot
 - Ponds: Sent a BOG to members regarding FLCC impact on lake low level
 - Greens Aeration Recovery: Used smaller tines due to heat. Quicker recovery as a result.
 - Fertilizer Sale: Very successful again this Fall. Recommendation: continue to offer to non-members but no need to advertise.
 - AC in Mike's shop: Waiting on contractor to help implement plan.
 - Staff: Lots of new faces. Increase in starting wage to \$12. Still searching for spray tech.
- What's coming up:
 - Tee aeration: Back-9 done one week, Front-9 the next week
 - Rough aeration/overseeding
 - Fertilize the Rough in October
 - Bunker Sand: winter project to repair and replace all sand on #8 green. This sand is different from the rest of the course. New sand will be the same as other holes.
 - Budget Season upcoming

FLCC Board of Directors Meeting Minutes
Monday, October 28, 2019, 6:30 pm

- Consideration is being given to planting Zoysia fairway style grass around the 18th green. Currently, we need 3 different mowers to take care of the area. This would reduce maintenance equipment traffic and present a nicer look from the Harbor Club expansion.
- Tentative Aeration Dates for 2020
 - April 20-23, 2020 and August 17-20, 2020 (2019 dates: April 23-25, August 19-21)
 - Soil Reliever April 20, 2020 (outside contractor at the same time as aeration)
- Long-Range Planning Committee (LRPC) update:
 - Members: Jim Bost (Chair), Greg Ried, Bob Ryan, Dave Smith, Brett DeGallery
 - Working on “Position Papers” on big issues (Cart path repair, bunker repair, green replacement, etc). Members have complaints regarding these and the intent is to offer an understanding of what it costs to repair/replace.
- Next Meeting – November 22 @ 11:00 am

Tennis Committee (Fred Jenne)

- Rescheduled (2nd time) Member/Guest Tennis Tournament to Sunday, November 10th
 - Our event date change was due to heavy rain last Sunday
 - The response to this event has been better than 2018
 - We expect to grow the number of teams for the November event as many of our younger members will now be available
- Tennis Season Wrap-Up and Awards
 - We are currently scheduled for our season ending dinner and awards event at the Harbor Club on Thursday, November 21st
- Court Maintenance
 - Clay courts are holding up well and the nets will survive this season
 - Three were repaired last month
 - We will require new nets for the clay courts for the 2020 season
 - The hard courts both have new nets purchased in 2019
 - Brian Ratzlaff has attended a clay court management program and will shortly provide a report to help us better manage the courts in 2020.
- Brian’s physical condition continues to improve and he is back at his position

Harbor Club Committee (John Statler)

- HC member survey in November
- Member appreciation night on November 23
 - Starts at 4 pm
 - Tours for an hour
 - Happy hour from 5-6 pm
 - Free appetizers, half price drinks
 - Discounted buffet dinner approximately \$15.95
 - Reservations required
 - Potential for two dinner seatings
- Strong month of September for revenue
 - \$80,197 +9% to budget
 - COGS 32.5%, below budget
 - A la carte revenue up 17%
- October revenue looking good
 - \$93K, tracking to last year
 - Three weddings

FLCC Board of Directors Meeting Minutes
Monday, October 28, 2019, 6:30 pm

- Latest wedding had 110 people, approximately \$10K in revenue
- Five weddings booked for 2020, three grad parties, a family reunion
- Get about 15 leads per month, equates to 3-5 tours
- Heather Allen maternity leave mid-December
- New event planner/coordinator, Jessica Hewlett
 - Getting her workspace setup
 - She's reviewing different event planning software
- Hiring food and beverage manager
 - Would like to fill slot before mid-November
 - Could be in-house hire or new talent
- Health inspection more than likely in November
 - Need new ceiling tiles and new lighting in kitchen
 - Cost approximately \$3K
- Artwork to be removed shortly. Need plan for getting new artwork.
- Parking signage work in progress for three venues

Social Committee (Ron Ball)

- Discussed doing Oktoberfest. Had conflict so postponed until next year
- Wine Society update
 - Event on Saturday, November 9th
- FLCC and HC past events, upcoming events
 - Wine trivia nights filling up
 - Patio Fridays do very well
 - Want to do golf course tour for member non-golfers in November if possible
- Peter Zeranski shared event publicity template (handout)
- Reviewed progress on event plan proposals
 - Dress Up Dinner Dance with Live Band (Peter Zeranski)
 - 4-piece band
 - Package with food and drink tickets
 - Light buffet, separate area
 - Special Wine Dinner (Emily and another committee member)
 - Casino Royale Night (Ron Ball)
 - Contacted Matt D'Ercole at "Always Fun Casinos"
 - Casino night for 85 to 100 guests
 - Rental of equipment and staffing \$2,645
 - Simultaneous Players: 58
 - Space Required: 809 sq. ft.
 - Price is based on 3 hours of dealing
 - We can customize gambling table setup
 - Looking at doing event in March
 - Want input on event pricing, etc.
- Other events
 - Met with Fred Jenne
 - Discussed event with New York musicians. Fred working on setting up. Challenge is musicians' availability.
 - Also talked about adult spelling bee. This is an annual event usually sponsored by the Lions Club. Being held at the Fredericksburg Country Club. Possibility for future events.
 - Also discussed FLCC as site for Germanna fundraising event.

FLCC Board of Directors Meeting Minutes
Monday, October 28, 2019, 6:30 pm

- Civil War educational or informational event organized by the Friends of Wilderness Battlefield
- More family events
- Next meeting: Thursday November 7th

2020 Board Nominations (Deborah McManus)

- There were no additional nominations for board candidate so the 6 candidates will run unopposed
- Voting will be sent out via Survey Monkey

Agenda for Monday, November 19 Annual Meeting of the Membership (Deborah McManus)

- Board Election results
- 2019 Club Financials
- 2019 Membership, Golf, Tennis, Dining Results
- Harbor Club Expansion Update – Construction, Financials, Marketing, Operations
- Meeting to start at 7 pm
- Members are encouraged to email their questions in advance to yourboard@fawnlakecc.com

Meeting adjourned at 11:02 pm

Next meeting: Monday, November 25, 6:30 pm