

Fountain of the Sun Country Club
Board Meeting
November 16, 2017

The Board of Directors Of FOSCC met in regular session on November 16, 2017 in the Boardroom of the Country Club.

Managing Director Jerry Lennick called the meeting to order at 8:00 AM.

Administrative Director Carol Miller announced that a quorum was present as Jerry Lennick, Chuck Thibert, Bob Golphenee, Ken Amburgey and Carol Miller were present and Ann Schmidt attended via Ipad.

Miller presented the minutes of the October meeting. A motion was made by Thibert and seconded by Amburgey to approve the minutes from October 24, 2017. All voted yes, motion carried.

Finance Director Bob Golphenee reported that the year end financial report indicated that the CC operated within the adopted budget for the year and in fact, there was an unexpected surplus. The balances in the reserve fund, contingency fund and general operating fund will be used to pay for repair of the CC well. No assessment will be needed. Members have asked if they can donate to help pay for the well. A Well Donation Fund has been established. Discussion was held on raising additional revenue by increasing the maximum number of groups on the golf course from 24 to 30, and examining the possibility of obtaining a line of credit. Schmidt made a motion to accept the finance report which motion was seconded by Amburgey. All voted yes, motion carried.

Director Thibert presented an updated well report. The well motor had to be sent away for new bearings and in the process of repairing the bearings, a couple more things were found that needed to be fixed at a small increase in the estimated \$6,000 repair cost. The well should be repaired sometime in early December. Thibert requested authority to have the old well pipe tested to see if it met US standards. After discussion, he was given permission to proceed.

Thibert reported that the grounds crew has been working extra hours to keep the course in playable condition and they haven't been able to use up some of their vacation time. Since vacation time has to be used up by the end of the year, he asked if the time period to use vacation time could be extended. A motion was made by Schmidt to extend the time for 3 months. The motion was seconded by Thibert. All voted yes, motion carried.

The grounds crew is down by two members. One resigned his position and a second had tragically died. Aviud is attempting to replace both employees.

Lennick indicated that a review of salaries of employees should be performed. He expressed hope that members should be involved in the review.

Mike Sebastian, Finance Committee chairman, presented a report prepared by the finance committee proposing a method to pay the unbudgeted well repair bills. A copy of the report is attached to these minutes.

Director Amburgey introduced the following resolution and moved its adoption:

Be it known that FOSCC has established and funded a reserve fund to be used to repair or replace assets needed for the purposes of the Corporation, and that during October of 2017, the well used to provide water to the golf course operated by the CC malfunctioned and needed to be repaired at a cost in excess of \$90,000.00.

That the CC does not have sufficient unbudgeted funds to pay the cost of repairs of the well without using funds from the reserve fund.

That use of said funds for such purpose is allowed by the Bylaws of FOSCC.

Therefore, be it resolved, that the officers of the CC are hereby authorized and directed, to the extent required, to use any funds in the reserve, now or in 2018, for payment of bills to Navajo Drilling for repair of the well as outlined in a repair agreement between the CC and Navajo.

Thibert seconded the motion and all voted yes, motion carried.

Golf Pro DeBois Report

1. A donation fund was established in the Pro Shop for the CC employee who passed away. His funeral will be November 25th and the donation money will help pay for his funeral expenses.
2. The 18 Hole Ladies Home and Home with Sunland Village East was a huge success. The day was great and included great camaraderie, lots of laughs, and a great lunch by Rochester's.
3. The Can-Am will be this coming Sunday, November 19, 2017. There are approximately 192 players this year compared to 170 players for last year.
4. We have a couple new groups coming in to play our course this year.
5. The three contract groups (Linksters, Phase 3, and FOS Mixed Couples) have again expressed interest in use of a punch card as was discussed with them last spring. The cost of the card would be \$500 per player in those leagues, could only be used by the member, and only in contract league play. The card would expire April 30, 2017 with unused funds donated to the CC. A motion was made by Miller to allow issuance of \$500 Punch Cards as stated above. It was seconded by Amburgey. All voted yes, motion carried.
6. The gold tees were discussed and it was decided that each league would determine if they would be used during league play.
7. A letter from Joe Steffes was submitted regarding Tee It Forward, a program to encourage golfers to use appropriate tees for their skill level. After discussion a motion to enroll in Tee It Forward was made by Golphenee and seconded by Thibert. All voted yes, motion carried.
8. New score cards will be available soon showing four tee boxes on each hole.
9. The new website should be up and running soon. They were problems transferring Internet rights, however, Ryan and Teri are working on this problem and hope to have it solved shortly.

A representative from Rochester's reported that business is good but still down from last year and that they still are having some staffing problems. They are catering the 19th Hole on the 1st and 3rd Friday of each month, on a trial basis and are researching additional catering options. Discussion was held on patio heaters and window blind replacement.

Thibert reported on a health issue caused by birds damaging the Club roof. Member Ron Heldt said that the new FOSA Bylaws address the problem, but they are not yet effective. It will cost \$700 to clean the mess on the CC roof. Member Joe Steffes offered to investigate the cost of putting netting on the roof.

Director Golphenee would like to meet with summer residents of the community to see what they would consider to be a reasonable schedule for summer hours for Rochester's and then discuss with Rochester's a possible schedule that would accommodate all.

Ann Schmidt said that there are many member only events scheduled in the near future and asked that members mark them on their calendars.

Miller announced that November 13, 2018 is scheduled for the Meet the Candidates member meeting and to please mark that on their calendars.

On motion, the board entered into executive session to discuss a contract legal issue.

The board returned to regular session and no action was taken on the contract.

There being no further business, the meeting was adjourned.

The members of the CC will meet on December 12, 2017 at the Activity Center at 9:30 am for the annual meeting and Director election. The next meeting of the Board will be immediately after the annual meeting.

Carol Miller
Administrative Director

Finance Committee Well Report

Pump Rent	\$ 11,000.00
Well Contract	\$ 85,161.92
Motor Repair	\$ 6,000.00
Water Mesa	\$ 7,300.00
Misc & Overruns	<u>\$ 2,000.00</u>
Total	\$ 111,461.92

Paid

Pump Rent	\$ 11,000.00
Contract -25%	\$ 21,290.48
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Water Mesa	<u>\$ 7,100.00</u>
Paid	\$ 60,680.96

Reserve	9/30	\$ 20,609.53
Oct Additions		<u>\$ 1,000.55</u>
Reserve		\$ 21,610.08

Contingency	9/30	\$ 52,722.67
Oct Addition		<u>\$ 4,794.17</u>
Balance		\$ 57,516.84
Well Payment		<u>\$ 30,500.00</u>
Balance 10/30		\$ 27,016.84
Nov 13 Pymt		<u>\$ 21,300.00</u>
Balance	11/14	\$ 5,716.84

Cash Carryover		<u>\$ 11,713.34</u>
Available Cash		\$ 39,040.26

Possible Sources

Excess Dues	\$ 6,200.00
Tax Refund	\$ 4,000.00
Well Budget 17/18	\$ 3,000.00
17/18 Contingency	\$ 20,000.00
17/18 Reserve	\$ 12,000.00
Donations	<u>\$ 6,000.00</u>
Total	\$ 51,200.00

Still Due

Completion Payment	\$ 21,290.48
Final Payment	\$ 21,290.48
Pump Repair	\$ 6,000.00
Misc & Overruns	<u>\$ 2,000.00</u>
Funds Needed	\$ 50,580.96
Less Cash	<u>\$ 39,040.26</u>
Shortage	\$ (11,540.70)