

Mission Valley Golf and Country Club
Minutes of the Board of Directors Meeting
Monday, April 25, 2022

The meeting was called to order by President Steve Day @ 2:30 PM Eastern Time
Members present: Vice President Pat Cangero, Treasurer Tom Grover, Secretary Rob Harkins, Kelly Jo Drewery, Sherry Baker, Fred Binder, Hilda Lyon, Bob Smialek
Management present: Doug Slusser

The Minutes of the previous board meeting, 28 March 2022, were approved as submitted. Motion to approve: K. Drewery, second: R. Smialek

MANAGEMENT FINANCIAL AND OPERATIONAL: D. Slusser. March was an outstanding month financially for the Club. Net Operating Income (NOI) exceeded budget by \$30,657, marking the ninth month in a row we have exceeded budget. Revenue generation was strong. Golf Operations led followed closely by Membership. Food and Beverage (F&B) contributed as well due to strong Member usage of the Club. As you would expect, Payroll expenses were over budget in most departments.

The forecast for April looks equally encouraging. April has started off with strong daily revenue generation. Daily revenue tends to slow the second half of the month as some Members begin to relocate to other homes. The dues lines will continue to provide a lift to results. Total revenue generation should more than offset payrolls and other expenses that are above budget. It is anticipated we will begin the final quarter of the fiscal year by exceeding budget for the month.

Next year's budget planning is nearly complete with only final details to be finished. The 2022-2023 budget will be presented to the finance committee at their next meeting in May and to the Board of Directors in June.

In operational news: We will begin closing on Mondays for course and facility maintenance starting the first Monday of May. During those closures the golf course and club house will be closed except for restrooms during normal business hours. The tennis courts will be open except for May 16,17, 18. During those days the clubhouse sewer systems will be repaired by milling, jetting, and adding a liner where necessary. Our new cleaning service is off to a good start. Time will tell if that holds up.

FINANCE: T. Grover. We have completed negotiations with South State Bank for a fixed interest rate of 4.25% for the remaining term of our loan (May 2029). The new rate took effect April 15. This is a significant achievement that will save the club several thousand dollars over the remaining life of the loan.

Through a motion T. Grover requested board approval of the accounting firm Meyers Brettholtz and Company to continue to perform our audit and tax work. They quoted a fixed fee with no escalation for the next 3 years. Motion seconded by F. Binder and approved by the board on a voice vote.

LONG RANGE CAPITAL PLANNING: H. Lyon. Recent accomplishments: The kitchen fire suppression system repair has been completed. The golf course bridge near the back tee of #6 adjacent to the restroom has been completed at an unanticipated cost of \$11,800. A new compressor for the outdoor kitchen cooler has been replaced at an unanticipated cost of \$2,800, Irrigation control boxes have been ordered with two included in this year's budget and three next year. Cost is \$8K each. The current control boxes are no longer supported with parts. Global Sanchez, the engineering firm evaluating our

water/sprinkler system has delivered a draft of their engineering report. We will soon be able send out requests for proposals for repairs. Two new projects have been approved: A new Eloma Combi Steamer oven will be purchased for the kitchen at an estimated cost of \$14,500 and the pole barn for storage of golf course maintenance equipment will be purchased and installed for \$27,500 including permitting fees.

A motion was made by T. Grover and second by R. Smialek to define how Capital Asset Replacement Account (CARA) funds are to be allocated. The approved definition for use of CARA funds is as follows: All CARA funds are to be used to improve or replace the existing infrastructure assets, specifically to include those pertaining to the golf course, the Clubhouse, the tennis facility, its buildings, and outbuildings.

MEMBERSHIP: S. Baker. Membership numbers are as follows: 320 equity, 5 corporate, 50 55 and under, 220 social with sport. 55 and under memberships have been capped at 50 and there are 5 on the waitlist. There are 72 on the equity waitlist. We have had 19 resignations for the 2021 year. Summer memberships have 80 applicants to date and expect several more over the coming weeks. Super Summer is full with 26 applicants.

GREENS: P. Cangero. Overseeding the golf course provided our members with a great tract throughout the season. The rye overseed is beginning to thin out as the transition period begins from overseeded rye to TifTuf bermuda. The transition period will be closely watched and evaluated. Currently, we are planning to overseed next year and inquiries have already been made to reserve seed for next year. Prices are up 20-30% from this year. The course will be closed on Mondays throughout the summer season. Starting May 2, we will be treating with Chipco-Choice for mole crickets then on May 16-18 we will be treating the course with Curfew for nematodes in addition to green's aerification. The driving range expansion to the north has been scheduled and will commence mid-September. Some disruption to use of the driving range is anticipated during heavy equipment work. Sod is planned to speed the "grow in" time but we won't plan to use the new sodded area of the range until January 2023. The MGA has donated three ice chests with integrated stands for the course to replace the unsightly ice chests on benches that currently exist. The club will provide another three to complete the replacement of ice chests around the course. We are attempting to purchase a replacement 45' boom lift tractor. Equipment is in short supply now which is causing several delays in delivery of new equipment we have on order. A lack of replacement mower reels is a notable problem. The WGA has donated money to the club for the purchase of more benches and flowers/flowering shrubs. The green's committee will coordinate with the WGA for placement.

GOLF: F. Binder. Next month the golf committee will be evaluating a change from split tees to straight tee times. There are advantages and disadvantages to both which were discussed. In general, the discussion within the board favored split tee times but no solution was recommended. Baskets for the new Clic gear carts was discussed. Baskets like those recently installed on the Sun Mountain refurbished carts were recommended.

TENNIS: R. Harkins. This week we held a season ending luncheon with 46 tennis members attending. It was a fun event at the courts followed by a delicious lunch in the clubhouse. During the luncheon R. Harkins spoke to the attendees about the new tiered social memberships which directly impact tennis members. Also, in response to an audience question he reviewed the proposed CARA being implemented in July this year. We have recently hosted both Ritzman Tennis and Welch Tennis representatives to evaluate our courts and provide proposals for top dressing the surfaces of our courts

before next season's league play (late Aug, early Sep). Court surfaces continue to be a nagging problem for us primarily due to the lack of rain and our poor water quality. In hopes of solving the poor water quality problem we will be ordering an "Aquabolt" inline water treatment device which will be installed for irrigation of one court as a test field to compare to our other courts. Irrigating with city water is another solution discussed but would require construction of a new 2" main to the courts. Use of city water has been tabled until evaluation of the aquabolt is complete.

HOUSE: K. Drewery. F&B had a solid month. Combined Revenue exceeded budget by \$26,601. Dining and Bar Revenue both exceeded budgets. The great weather and Men's Invitational were the main catalysts behind the revenue results. As a reminder, the past two years the Men's Invitational was cancelled due to the pandemic.

30 people have signed up for "Painting with a twist". D. Foley is lining up entertainment for the fall season which will include 8 events.

Dottie Kuhlman's daughter, Cindy, has donated \$20K for the renovation of the lower lounge from lounge to casual dining with high top tables and normal height tables. Cindy, who lives in Atlanta, will be invited back for the opening of the renovated area.

NEW BUSINESS: The next board meeting will be Jun 6 replacing May 30 (Memorial Day)

Through a motion by S. Day and seconded by R. Harkins the meeting was adjourned at 4:30 pm

Respectfully submitted,

Rob Harkins
Secretary