

BOARD OF DIRECTORS MEETING
THE MONARCH AT ROYAL HIGHLANDS, INC.
February 8, 2019

A meeting of the Board of Directors for The Monarch at Royal Highlands, Inc. was held at 8:00 a.m. in the Great Hall Meeting Room. Those present: Dick Sjogren, Vince Laverghetta, Bob Keating, Mike Russomano, Dave Kozlowski, Linda Gietz, Steve Ryan, Esther Patterson and Ann Carter. Craig Misch, Golf Pro, Linda Eaton, F/B, Crown & Shield, Sam Floyd, Par for the Course Management, and Terry Stephenson, Course Superintendent, were also in attendance

President – Dick Sjogren

Dick Sjogren called the meeting to order.

The Minutes of the January 25, 2019 meeting were approved.

Superintendent's Report – Terry Stephenson

Tractor is still down; got one new deck in January; still working on them.

Putting on first pre-emergent on Monday and Tuesday – tees, fairways and roughs.

Sprayed first application for nematodes and fairy rings.

Fertilized greens with new fertilizer at a better price.

Spiked greens.

Repaired some of the valve boxes; edged and cleaned others.

Talked to Wesco about monitor issue (LED readout) on pump station; Sam researching a replacement monitor (new vs used).

Will investigate some of the greens that are thinned out where the seed got washed off.

Will roll and paint greens for Member Guest tournament.

Put out old seed in driving range around the flags.

Put sand in some areas on fairways and entrances/exits of cart paths.

Spot spraying for broadleaf weeds.

May have to spray for poa annua control in areas in the next couple of weeks

No maintenance needed to the natural cedar finish of the Purple Martin birdhouse; will keep an eye on it to keep it looking good; not sure what happened to one of the "birds" on top of it!

Manager's Report – Sam Floyd

We took a hard hit in the Golf Department with rain & cold mornings. January 2019 had 8 days of inclement weather compared to January 2018 that had 14 days. Our total sales were down to budget by \$9,204, but if the F&B department hadn't exceeded their budgeted sales by \$4,232 it would have been a lot worse.

By controlling expenses, we were able to help lessen the effect on our Net Income to finish \$7,718 behind budget but exceed last January's actual by \$1,892.

- The Golf Department finished \$13,278 behind budget but beat last year by \$6,213. We were down to budget 411 total rounds and \$12,646 in Green Fees & Cart Fees. Our revenue per round was budgeted at \$25.22 per round, but made \$28.28 per round, which is great.
- Member dues were up \$524 only because of the "Rental Memberships". There are currently 15 members on Medical Leave, which affects our revenue.
- Pro Shop sales for January were down to budget \$966 but are ahead of budget year to date by \$469.
- Maintenance Department was under budget by \$1,738 due to only spending \$1,450 for tree removal with a budget of \$2,500 and we had a budget of \$700 for sand & gravel that we did not need to purchase at this time.
- Food & Beverage Sales were up \$4,233 to budget, and Variable Cost Profit was up \$3,518 which helped our total outcome. The Food & Beverage department is doing extremely well. It has been attracting new business from outside of the gates and private parties that help cover the sales that are affected by low golf rounds.

We did not perform very well in January for the above reasons, but we still have three months to make up any lost ground. We are currently \$6,427 behind our year to date budgeted Net Income.

Dick looked at total revenue and asked that Sam consider figuring the budget next year based on like weather conditions. Also, we need to continue to look at our golf fees/pricing to ensure we are competitive in our rate structure next year.

Sam reported on his research of a new phone system to replace the existing system that is 10 years old and the voice mail is not working. He received 3 bids and has chosen one that is within budget and works through our network rather than the phone company. It has unlimited voice mail, additional phone lines to accommodate the waitress station, the course superintendent, etc., and is blue tooth compatible. Network support is provided at a monthly fee between \$25 - \$35. System can be installed in March (rather than the June previous date). **Linda Gietz made a motion seconded by Dave Kozlowski that we purchase a Grand Stream GPX 2135 phone system not to exceed \$3500. The Motion was approved.**

Vice President – Dave Kozlowski

Dave reported that he had a meeting with Carol Smith of the "Monarch Patio Committee" (consisting of herself and Barb Bradford) to discuss the patio brick process. In that discussion, it was advised that the money collected is used to pay for projects the committee decides are worthy. Carol advised she would be happy to attend our next Board meeting to update the Board with their process and spending and would be glad to work with other committees if needed. The Board also discussed Mulligan Money expenditures, and maybe these two groups develop a purpose that matches our current and long-range plans.

Dave requested that the donation by a resident of Royal Highlands in memory of her friend be used to buy and install a tree across the ditch to the left of the hill on hole #16. Once Bob receives the funds to proceed, he will talk with Sam, Terry and JT's regarding what is involved (ie, drainage in #16 ravine), any disruptions in golf play (hole #16 will become a par 3 during this time), when is best to start (maybe the last week in April before aerification), how much it will cost, and bring this information to the next Board meeting.

Dave asked the Board's approval to investigate the support for memorial dates to be placed on bricks. Ann advised that when the brick project was started the decision was made that no dates be placed on the bricks.

Treasurer's Report – Linda Gietz

The Monarch at Royal Highlands, Inc.				
Treasurer's Report				
<u>Account</u>	<u>Account Type</u>	<u>Bank</u>	<u>APY</u>	02/08/19 <u>Balance</u>
Cash - Operating	Checking	BB&T	0.00%	86,167.55
Petty Cash	Currency	Office Safe	0.00%	1,400.00
Capital Reserve	Checking	BB&T	0.75%	116.47
Ford Interest Advantage	Note/Checking	Ford Interest Advantage	2.50%	45,387.22
Non Operating Investment Account	Cash	Raymond James	0.25%	72.57
Non Operating Investment Account	Bonds	Raymond James	3.16%	19,855.60
Non Operating Investment Account	CD	Raymond James	2.51%	12,006.48
Cash Balance as of 02/08/19				165,005.89
Change from 01/25/19 Report				9,080.79
BB&T Loan			4.80%	1,005,916.22
BB&T Credit Card				2,750.80
Cash Balance 02/08/19				165,005.89
Cash Balance 02/09/18				187,153.38
Difference				(22,147.49)
Total Reserves:				
Capital Reserve				116.47
Year -To-Date Transfers to the Capital Reserve			3,000.00	
Ford Interest Advantage				45,387.22
Raymond James				31,934.65
Total				77,438.34

Ann Carter mentioned that BB&T had purchased and was merging with Sun Trust, but our account with BB&T will be OK.

Golf – Vince Laverghetta

Our next event will be the Member-Member Tournament on February 13-14 with spaghetti/rigatoni buffet to follow. The turnout for this event has been incredible with 112 members signed up. We are planning a Night Golf Scramble on February 23 at 6 p.m. with happy hour to follow; the format will be a 2-person scramble. Teams will be made up by the committee. The MWGA is planning a Beat the Pro Golf and Pizza party on March 7th. The Club

Championship will be played March 13, 14 and 16 for men and March 14 and 16 for women with lunch to follow. Vince is updating the Golf Calendar for posting.

Buildings and Grounds – Bob Keating

Bob fixed the stone wall on #9 and installed a 2x6 board and put the bricks back on top of that and it looks good. The bricks are changing color and starting to look bad due to the buildup of black mold. Bob treated them but they need power washed. Bob will get with Terry about using the spray rig and gas generator that operates the pressure washer.

Last year we put coquina at the entrance and exit ramps on 4-5 holes. We need another load on the ramps for holes 1,3, 5, 7 & 9. These holes have not had coquina put down. The cost is \$750/load. This is a non-budgeted item, but since Maintenance is under budget, we should have some funds available and now is the time to purchase it because the staff has available time to lay it since they are not able to mow. **Dave Kozlowski made the motion seconded by Ann Carter made the motion that we spend \$750 on coquina to be used on exits and entrances ramps on cart paths. Motion passed.**

Membership – Mike Russomano

New: Keith Beile & Carolyn Upchurch
Family General eff – 03/1/19

Off Medical: Bob Hadley eff – 2/1/19
Leo Chausse eff – 2/1/19

Change in Status: Steven & Sandra Bryan eff – 2/1/19
From Family General to Family Equity

Medical (15): Harry Taylor
Karen Teegarden extended to 06/1/19
Tom Campbell
Phyllis Wagoner & Richard Taylor
Frank Vignone
Ron Ambrosio
Mary Neikirk
Tom Christie
Francie Traviolia
Marilyn LaFauci
Harvey Small
Jack West
Gay Whitlock eff – 12/1/18
Bob Titton eff – 1/9
Jeff Kotlyn

Communication – Ann Carter

The Dinner & Bar only numbers from January 24 thru February 5 are as follows:

1/24 – Thursday Dinner Special (Beef Tenderloin-30) -88 - \$1,125, Bar \$524 - \$1,649
1/25- Friday Dinner Special (Shrimp Scampi-18) -77- \$1,069, Bar \$342 = \$1,411
1/29 – Tuesday Dinner Special (Pork Loin-10) -21- \$313, Bar \$169 - \$481
1/31 – Thursday Dinner Special (Salisbury Steak-19) -52- \$649, Bar \$453 = \$1,102
2/1- Friday Dinner Special (Salmon-19) -64- \$1,103, Bar \$394 = \$1,497
2/5 – Tuesday Dinner special (Liver & Onions-34) -69- \$1,087, Bar \$402 = \$1,489

For the period through January 24 – February 5 - (11 business days) 62 pizzas were sold= 5-1/2/day

Dinner Specials for the second half of February are:

Tuesday's Dinners – Served with choice of a cup of soup or dinner salad

February 12- Dinner Buffet \$14.99 featuring Roast Beef, Fried Chicken & Cod with lobster sauce
February 19 - Taste of Italy - \$15.99
February 26 – Fried airline chicken with mashed potato gravy & veg. \$13.99

Thursday's- Dinners – Served with choice of a cup of soup or dinner salad

February 14* – Valentine's Day *(2 specials) Prime rib Queen cut (8oz) \$19.99 / King cut (12oz) \$22.99.
Baked potato, veg OR Chicken Cordon Bleu with Baked Potato & Veg \$14.99
February 21 – Veal Parmesan over pasta. \$14.99
February 28- Chicken fried steak with mashed potato gravy & veg. \$13.99

Friday's – Dinners – Served with choice of a cup of soup or dinner salad

February 15 – Seared scallops with rice & veg. \$18.99
February 22 – Shrimp & lobster scampi. \$17.99

February 14 – Member/Member Luncheon
February 16 – Birthday Bash
February 27 – Taco Card Bingo

Entertainment

March 6 – Rob Nichols a great local country singer will be with us. Dinner at 6:00, entertainment from 7:00 to 9:00. Rob puts on a wonderful show. eBlast and flyer has been posted.

Barry & Nancy, Name that Tune, will be on Wednesday, May 15th. Mark your calendar

Liaison

Question:

A request has come in asking if we can do a Trivia night at the Crown & Shield similar to what was done at the Great hall.

Answer:

We will explore this possibility. It would not be as big or have the prizes that was done by the soft ball group. It would be nice if there would be an interest.

Golf Now is up and running. People can now get their tee times on line.

Ann is requesting getting news from a representative of the MMGA much like what is done by Esther Patterson for the MWGA for Around The Club Newsletter. Steve is going to look into that.

Finance and Audit Committee – Steve Ryan

Steve completed a request to Sam for information needed for finance review. Sam to look into the version of QuickBooks that Linda Gietz has because it doesn't work.

President – Dick Sjogren

The next Board meeting will be February 22, 2019 at 8:00 a.m. at the Great Hall Meeting Room. Dick called for a closed session of the Board. The meeting was adjourned at 10:20 a.m.

Respectfully Submitted,
Esther Patterson, Secretary