

BOARD OF DIRECTORS MEETING
THE MONARCH AT ROYAL HIGHLANDS, INC.
July 12, 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 (via video conference call), Vince Laverghetta, Esther Patterson, Bob Keating, Mike Russomano and Linda Gietz. Ann Carter, Steve Ryan and Dave Kozlowski were absent. Sam Floyd, Par for the Course Management, Craig Misch, Golf Pro, Terry Stephenson, Course Superintendent and Linda Eaton, F/B, Crown & Shield were also in attendance.

President – Dick Sjogren

Dick Sjogren called the meeting to order.
The Minutes of the June 14, 2019 meeting were approved.

Superintendent's Report – Terry Stephenson

- . The 3500 mower is down; blown seal.
- . Both Workmans are down; parts ordered.
- . Cannot seem to get or keep help; even temporary help not showing up. Trying to keep up with mowing, weed eating and edging.
- . Received a quote for \$2200 for trimming the golf course trees that overhang the street.
- . Will apply pre-emergent next Monday.
- . Testing new chemical on goose grass on greens #4 and #11.
- . Spray for fairy ring and disease control next week.
- . Spray for nematode control on tees again this week.
- . Fertilized greens and put out cricket control this week.
- . Many issues with lightning on irrigation satellites. Box 5 on #17 destroyed; box 4 which controls #10 and #11 wiped out; 3 boards hit on box on #16. Wesco identified 4-5 main wires that had breaks. To date, we have spent about \$3,000 to fix. The system we have now is one of the best in withstanding lightning strikes. In the past, it seemed like the storms were around us; now they are on top of us.

Manager's Report – Sam Floyd

We are currently \$28,644 behind our year to date budgeted Net Income. We are currently behind budgeted Net Ordinary Income year to date by \$20,630. We had a pretty good month considering this is a summer month.

We made up some lost ground in net profit by \$3,165 by controlling expenses and cutting labor where and when we could. We are not tracking to make a net profit this fiscal year mainly due to weather, higher operating costs and lower membership revenues collected.

Food & Beverage – Linda Eaton

Business has slowed down for the summer, but we will meet our budget. We have picked up some lunch traffic and lately have more walk-ins than reservations for dinner. We had a health inspection yesterday that went very well.

Treasurer's Report – Linda Gietz

The Monarch at Royal Highlands, Inc.				
Treasurer's Report				
				07/12/19
<u>Account</u>	<u>Account Type</u>	<u>Bank</u>	<u>APY</u>	<u>Balance</u>
Cash - Operating	Checking	BB&T	0.00%	53,500.32
Petty Cash	Currency	Office Safe	0.00%	1,400.00
Capital Reserve	Checking	BB&T	0.75%	3,387.51
Ford Interest Advantage	Note/Checking	Ford Interest Advantage	2.65%	141,629.47
Non Operating Investment Account	Cash	Raymond James	0.25%	534.34
Non Operating Investment Account	Bonds	Raymond James	3.14%	20,020.80
Non Operating Investment Account	CD	Raymond James	2.51%	12,005.76
Cash Balance as of 07/12/19				232,478.20
Change from 06/14/19 Report				(32,264.11)
BB&T Loan			4.80%	975,273.46
BB&T Credit Card				382.52
Cash Balance 07/12/19				232,478.20
Cash Balance 07/27/18				209,883.47
Difference				22,594.73
Total Reserves:				
Capital Reserve				3,387.51
Year -To-Date Transfers to the Capital Reserve			30,100.00	
Ford Interest Advantage				141,629.47
Raymond James				32,560.90
Total				177,577.88

The Board decided to add a 3rd Board Member (Secretary) to the checking account to ensure checks are processed timely in the event that the President and/or Treasurer is not available. At this point in time we do not have overdraft protection for the checking account; Linda to check on overdraft protection cost.

Vice President – Dave Kozlowski (absent)

Golf Pro – Craig Misch

Craig handed out the 2019-2020 Proposed Golf Rates and a copy of the 2019-2020 Villages Newspaper Ad campaign for the Board's review.

Member Guest Tournament - Because of all the bad things that happened with Plaza, our tournament sponsor, and with Plaza firing our contact for over 12 years, Ann personally felt something needed to be done, and last week she and Craig took a chance and walked in the store. They met with Louie (the guy in charge) and Ann thanked him for their sponsorship and showed him the program and the pages of Cadillac and Lincoln. He asked when the next tournament was, and when Ann told him it was April, he immediately said, "count me in". Ann then asked if they would do the Hole in One and Putting contest and he stated he would do everything that was done last year. Ann said she can't be more thrilled as she was so concerned for the welfare of next year's event. That sponsorship of the two stores is huge in so many ways. Ann will contact him in January to be sure to get those checks before he changes his mind. The Board thanked Craig and especially Ann for all their work in securing this sponsorship.

Esther will look into the use of golf coupon books for purchase as a means to generate additional revenue.

Buildings and Grounds – Bob Keating

Bob and Sam discussed the \$2200 bid for trimming the 18 golf course trees that overhang the street. Sam will talk to JT Lawn Service for an additional bid. Another option would be to rent a Lift from United Rental. Bob discussed with them the Scissors Lift inside the Great Hall and was told that it would not accommodate our needs on the road. Sam got information on Lifts that can get closer to the trees to do our trimming, and the rates ran from \$389/day to \$1,000 to \$1,300 per week. They are tow behind Lifts, and we would not have to pay the \$250 delivery fee. John Buono agreed to get in a Lift and use a chain saw to do the trimming (Bob to ensure we have adequate safety measures in place). Bob requested a thank you note be sent to John Buono for all the trimming he has done on the course. By the next meeting we should have a quote from JT's, and we can decide then what our next step will be.

Bob mentioned that some of the entrances and exits near the cart paths are roped off to prevent carts from parking on the grass and damaging it. Last week someone tripped trying to cross over the rope. Bob asked that Terry either use all pegs (instead of roping) or create a gap in the roped off area so golfers do not have to cross over the rope. Terry advised he does not have enough pegs in stock, and he will open up the roped off area.

Secretary – Esther Patterson

Esther will be on vacation for the next Board meeting; we need a replacement to take the minutes.

Esther asked if there was any available space to rent in the Cart Barn or Maintenance Shed (as a means for additional revenue) as the Royal Highlands maintenance crew were looking for storage space to use for their equipment and tools. Even though the space we have is currently being utilized, there remains an accessibility issue and the potential liability if anything got damaged or stolen.

Finance and Audit – Steve Ryan (absent)

Communication – Ann Carter (absent)

Golf – Vince Laverghetta

The July Couples Tournament was a success; Vince turned over \$480 in Mulligan Money to Linda.

Vince will put out a new golf calendar to include the aerification date change from August 5 to July 29, and update the Fall MWGA Match Play dates to September 10 thru October 30.

There will be a Men's Shoot Out Tournament (similar to the one the Women had in June) to be held Sunday, August 25 with qualifying dates of August 7, 14, 21.

Vince will discuss with his committee the idea of having another "Battle of the Sexes" tournament this year.

Membership – Mike Russomano

New: Dick Holst – Limited General
Michele Gottlieb – Limited General Plus

Medical (22): Bev Race
Howard Rudolph
Philip Keetle
Harry Taylor
Karen Teegarden
Tom Campbell
Richard Taylor
Frank Vignone
Tom Christie
Harvey Small
Bob Titton
Joel Anderson
Len Vieira
Wayne Sargent

Al Dame
Debbie Dame
Selden Skelly
Don Snopik
Dick Hellem
Phyllis Wagoner (came off last month and now back on)
Jack West
Denny Bettisworth

Off Medical: Joel Anderson
Phyllis Wagoner

The Board discussed the high volume of members on medical leave and decided to look into ways to ensure that members are utilizing the medical leave policy as it was intended, and possibly forming a task force committee to review the situation.

Sam gave Mike a copy of the Membership Rewards Program. There might be a potential for additional members now that we have a member from another golf community.

Mike provided Esther with the Assignment and Stock Transfer Agreement for the equity stock certificate of William Craig Ward, transferring it to Lillard and Regina Johnson, new residents of the property.

Liaison Question:

“Do we own the sidewalk between the ninth fairway and Royal St. George's Lane ? If we do and it needs to be repaired I think we should sit down with the elected leaders of R.H. to get this resolved. In the mean time I would rope off and place cones at the bad area (like we so often do on the golf course and never repair them,) until years later if ever. Also the trimming of the trees in front of the clubhouse on St Andrew, when the community was trimming trees on our roadways this past month (with that blue bucket truck) that is when we should have had our property done. If it had to be done on a Saturday for extra pay ,do it. They had the equipment and men or our men. Why is it that our own maintenance can not do this work? If they stand in our largest maintenance truck they are 4ft. off the ground, standing a 6ft. tall person with his arms held over his head with our 8ft. long pole saw he can cut up to 18ft above the roadway. The job can be done in a few hours at NO extra cost. I check with Keith Paterson a osha instructor and this is a safe way to do this job.This problem with the trees on St. Andrews has been talk about on the Next Door email for months and we do nothing. Do we want to get along with our neighbors. Lets see if we can get our G.M. off his ass and out of his office and do his job.”

Answer:

We discussed this at the last board meeting and are gathering information as to the best way to proceed, if in fact it is our responsibility. As a FYI, we have recently spent money on a machine to grind down our cart paths to make them smoother. We have also spent money on coquina

and the labor to spread it at the entrances and exits to our cart paths to improve them. Due to the elevation required (14 ft) over roadways we need to contract with professionals to ensure the work is performed safely. Thank you for your interest in helping us to improve and become a better neighbor.

The next Board Meeting will be held at 8:00 a.m. at the Great Hall Meeting Room on Friday, July 26.

The meeting adjourned at 9:40 a.m.

Board went into Closed Door session.

Respectfully submitted,
Esther Patterson, Secretary