

BOARD OF DIRECTORS MEETING
THE MONARCH AT ROYAL HIGHLANDS, INC.
October 11, 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, Mike Russomano, Steve Ryan, Bob Keating, Linda Gietz and Ann Carter. Esther Patterson was absent. Craig Misch, Golf Pro, and Terry Stephenson, Course Superintendent, were also in attendance. Sam Floyd, Par for the Course Management, and Linda Eaton, F/B, Crown & Shield were absent.

President – Dick Sjogren

Dick Sjogren called the meeting to order.
The Minutes of the September 27, 2019 meeting were approved.

Superintendent's Report – Terry Stephenson

- Kubota tractor (used for pulling the Bush hog) still in shop (mechanic out M-W); one Greens mower down.
- Wesco came out Tuesday and fixed PM Pump.
- Met with Harrell's; finished up early order program.
- Out of 11 days, missing employees 10 days.
- Started spraying pre-emergent for Poa Annuua.
- Spot spraying for weeds in roughs
- Got quotes from Wesco and Leibold on Grounding issues.
- Working on spreading out budget monthly,
- Sprayed Revolver/Provaunt on greens for Poa Annuua.
- Oct 21 & 22 – Put out Pre plant fertilizer on fairways, tees, greens
- Oct 24 – will overseed greens and collars and approaches.
- Oct 28 – will overseed fairways/tees/greens

Manager's Report – Craig Misch

Total of all revenues were below budget \$13,510 but our total operating expenses were under budget by \$18,610 with some yearend prepaid insurance adjustments which is great!

- September the Golf Department revenue finished \$13,199 behind budget and was behind last year by \$22,134.
- We were behind budget by 727 total rounds; behind budget \$10,253 in Green Fees & Cart Fees. Remember that we were closed two days in September for the predicted Hurricane Dorian, which effected business four days. Our revenue per round was budgeted at \$21.70 per round, but we made \$22.76 per round, which is good for this time of year. The coupon ad is for 2 for \$51.99/\$25.99 per person.
- Membership dues were behind budget by \$3,386 for the month of September and behind year to date budget by \$11,839. This is mainly due to having members on medical leave and members dropping

their memberships. We finished the year \$24,746 behind last year's membership income. Again, I have always said that two reasons why you should always increase dues annually, even if it is only a 2% increase; it will help cover the normal increases of doing business and help cover lost membership revenue due to other members being out on medical leave.

- Pro Shop sales for September were up over budget by \$248 and only down \$1,218 to budget year to date.
- Golf department expenses were under budget by \$210 which was due to payroll cost savings.
- Maintenance Department was under budget by \$7,384 due to payroll, credits to fertilizer and chemicals from the EOP program and R&M equipment.
- Food & Beverage Sales were down \$652 to budget, but Variable Cost Profit was up \$177. Year to date variable cost profit is ahead of budget by \$12,207. The Crown & Shield has performed extremely well for 2018/2019!
- Food & Beverage expenses were under budget by \$1,391 due to payroll savings.
- Occupancy was under budgeted expenses by \$9,624 due to a yearend commercial/workers comp insurance prepaid expense credit, per our CPA.

We finished the year \$47,645 behind our year to date budgeted Net Income. We finished the year behind budgeted Net Ordinary Income year to date by \$36,966.

We are \$21,398 behind year to date last year's actual Net Income and \$5,704 behind year to date last year's actual Net Ordinary Income.

We did not make a net profit this fiscal year mainly due to weather, higher maintenance & operational costs and lower membership revenues collected.

Vice President (open)

Position will remain open until the December election. Dick Therrien will help new Vice President with inventory but has no interest in being on the Board again.

The replacement of the restaurant carpet has been put on hold until approximately May, but we have information from 5 companies that will bid on it when the time comes.

Buildings and Grounds – Bob Keating

Craig will remind golfers using handicap flags to adhere to the policies we have in place. The Handicap flag policy will be posted on an eblast by Ann Carter.

We will rope off grass area around #13 green toward the bathroom so people will use cart path; and rope off area left of the bathroom toward #14 tee boxes so people will use cart path.

Secretary – Esther Patterson (absent)

Finance and Audit – Steve Ryan

Steve was named interim Treasurer to fill out Linda's term; may be changed at December meeting.

Golf – Vince Laverghetta

The “Battle of the Sexes” tournament needs more men; Craig will work to fill the spots.

Craig Misch – Golf Pro

Craig presented a change in the rates of the current Village coupon to get more value out of it.

Craig is working with Benchcraft, a company who makes yardage booklets for golf courses. They are quite nice, full color diagrams of each hole individually with yardages on them. It is a free service for the Club because they sell advertising in the booklet to pay for the books. It will take about 4 months to complete the process of setting up the booklets before we get them. They will be free to anyone who plays at The Monarch. They will be a nice added benefit to our players.

Laptop computer will be ordered from our IT guy for use by the GM in the office.

Membership – Mike Russomano

Re-Join: Mike & Virg Holzhausen 10/1/19

Resignation: Frank Miller 10/1/19

Medical (21):
Bev Race
Philip Keetle
Harry Taylor
Tom Campbell
Richard Taylor
Frank Vignone
Tom Christie
Bob Titton
Len Vieira
Wayne Sargent
Sherry Anderson
Carl Lacobie
Ken Gressley
Barb Gressley
Chuck Gietz
Ann Carter
Sally Tubbs
Chuck Cianciolo 10/15/19
Carol Smith 10/15/19
Ralph Beighley 10/15/19
Tom Lawrenson 10/15/19

Off Medical: Jack West 10/10/19
 Kathy Sjogren 10/12/19
 Karen Teegarden 10/15/19 - Also, she is now in the Social Program
 Frank Miller 10/1/19

Treasurer’s Report – Linda Gietz

Linda, Steve, Dick and Craig will go to the bank next week to change over the bank records.

The Monarch at Royal Highlands, Inc.				
Treasurer's Report				
<u>Account</u>	<u>Account Type</u>	<u>Bank</u>	<u>APY</u>	10/11/19 <u>Balance</u>
Cash - Operating	Checking	BB&T	0.00%	66,030.46
Petty Cash	Currency	Office Safe	0.00%	1,400.00
Capital Reserve	Checking	BB&T	0.25%	12,346.31
Ford Interest Advantage	Note/Checking	Ford Interest Advantage	2.40%	58,760.39
Non Operating Investment Account	Cash	Raymond James	0.25%	1.56
Non Operating Investment Account	Institutional MM	Raymond James	2.01%	23,019.62
Non Operating Investment Account	Bonds	Raymond James	3.99%	10,023.20
Non Operating Investment Account	CD	Raymond James		-
Cash Balance as of 10/11/19				171,581.54
Change from 09/27/19 Report				22,741.34
BB&T Loan			4.80%	956,593.80
Accounts Payable				19,178.76
BB&T Credit Card				1,464.63
Cash Balance 10/11/19				171,581.54
Cash Balance 10/12/18				177,475.74
Difference				(5,894.20)
Total Reserves:				
Capital Reserve				12,346.31
Year -To-Date Transfers to the Capital Reserve			39,100.00	
Ford Interest Advantage				58,760.39
Raymond James				33,044.38
Total				104,151.08

The Monarch at Royal Highlands											
Reconciliation of Reserve Accounts											
as of 09/30/19											
Date	Additions	Interest	Withdrawals	Ser. Chg		Withdrawals:					
Beginning Balance:					17,041.09						
10/31/18	3,000.00	10.14			20,051.23						
10/31/18		10.06	20,000.00		61.29	Parking Lot Asphalt Overlay & Restripping				26,897.40	
11/30/18	3,000.00	0.03	3,000.00	15.00	46.32	Ventilation Motor for Kitchen Hood				3,550.00	
12/31/18	3,100.00	0.07	3,000.00	15.00	131.39	Dell OptiPlex 3020 (2018)				844.23	
01/31/19	3,000.00	0.08	3,000.00	15.00	116.47	Phone System - Grand Stream GXP2135				3,433.74	
01/31/19					116.47	Bad Boy Z-Turn Rebel Mower				8,935.96	
02/28/19	3,000.00	0.32	1,447.40	15.00	1,654.39						
03/31/19	3,000.00		844.23	15.00	3,795.16						
04/30/19	3,000.00	1.05	3,433.74	15.00	3,347.47						
04/30/19					3,347.47						
05/31/19	3,000.00	1.82	8,935.96	15.00	(2,601.67)						
06/30/19	3,000.00	2.13		15.00	385.46						
07/31/19	3,000.00	2.05		15.00	3,372.51						
08/31/19	3,000.00	1.65		15.00	6,359.16						
08/31/19		1.94			6,361.10						
09/30/19	4,000.00	0.13		15.00	10,346.23						
		0.08			10,346.31						
	37,100.00	31.55	43,661.33	165.00	10,346.31					43,661.33	

Communication – Ann Carter

The Dinner & Bar only numbers from September 27 Thru October 9th are as follows:

- 9/27– Thursday Dinner Special (Seafood Scampi-23) 85 in attendance, \$1,294 Bar \$521=\$1,815
- 10/01- Tuesday Dinner Special (Liver and Onions-26) – 41 in attendance- \$601, Bar \$247=\$848
- 10/03 -Thursday Dinner Special (Salisbury Steak -9) -28 in attendance-\$401, Bar \$298=\$699
- 10/04–Friday Dinner Special (Blackened Snapper-) –63 in attendance- \$901, Bar \$434=\$1,335
- 10/05- Octoberfest at Great Hall 108 in attendance - \$3,250
- 10/8-Tuesday dinner special (dinner buffet-67 in attendance-\$1,029, bar \$323= \$1,352

For the period through September 27 thru October 9th (9 business days) 30 pizzas were sold=3.3/day

Dinner Specials for the of month of October is:

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

- October 1 - Liver & Onions with bacon, mashed potatoes, gravy & vegetable \$12.99
- October 8 – Dinner Buffet \$14.99
- October 15 – BBQ Pork & Chicken served with French fries & coleslaw. \$14.99
- October 22 – Taste of Italy \$15.99
- October 29 - Prime rib Queen cut (8oz) \$19.99 / King cut (12oz) \$22.99. Baked potato, veg

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

October 3 – Salisbury steak with onion mushroom gravy mashed and veg.\$12.99
October 10 – Pot roast with gravy, mashed potato, & vegetable \$14.99
October 17 – Eggplant Parmesan over pasta with breadstick \$12.99
October 24 –Meatloaf with gravy, mashed potato and vegetable \$12.99
October 31 –Baked Ham Dinner with mashed sweet potato & vegetable \$13.99

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

October 4 – Blackened Snapper with pineapple salsa, served with starch & veg \$15.99
October 11 – Bacon wrapped Sea Scallops served with rice & vegetable \$18.99
October 18 – Surf & Turf (crab cake & sliced tenderloin) served with starch & veg \$18.99
October 25 – seafood scampi (shrimp & lobster) \$17.99

October 7 – Men's Match Play Luncheon
October 17 – Hospice Tournament Lunch (closed to public)
October 19 – Birthday Bash
October 20 – Couples Fall Classic Luncheon
October 23 – Men's MMGA Ringer Tournament Luncheon
October 30 -- Taco Card Bingo

Dick Sjogren – President

The 2019-2020 Budget was reviewed.

Vince Laverghetta made the motion to approve the budget. The motion was seconded by Mike Russomano. Motion approved.

Proposal for possible Equity dues reduction was discussed. Some Board members felt reduction could be more. Dick will bring updated cost figures to the next meeting for further discussion.

Stalwart program was tabled until next meeting due to lack of time.

We are looking into getting a chairperson for the nominating committee, and several people were mentioned.

The next Board Meeting will be held at 8:00 a.m. at the Great Hall Meeting Room on Friday, October 25.

Respectfully submitted,
Esther Patterson, Secretary