

WESTBROOK VILLAGE GOLF CLUB SUMMARY MINUTES

MEETING: WBVGC Board of Directors

DATE: March 11, 2015

LOCATION: Club Conference Room

CALL TO ORDER: The meeting was called to order at 3:00 PM Tom Lodge, Vice President presiding

A. **ATTENDEES:** Rick Axelrad, Terry Bice, Roy Chapman, David Frey, Steve Jobe, Steve Karch (via telephone), Tom Lodge, Robert Oracheff and Cathy Raich

B. **ABSENT:** None

C. **OTHERS ATTENDING:** Barbara Jean Strucel, Office Manager, John McCahan, Head Golf Professional, Brandon Evans, IT Manager and David Escobedo, Golf Course Superintendent. Mark Frost of HintonBurdick, PLLC attended briefly to present a summary of the 2014 Financial Review conducted by his firm and left the meeting.

D. **2014 AUDIT REVIEW PRESENTATION - MARK FROST**

1. Mark Frost presented a favorable Independent Accountants' Review Report for 2014.
2. Possible tax implications from unrelated business income was discussed.

E. **MINUTES APPROVED:**

1. Terry Bice motioned to approve the minutes from the February 16, 2015 Board Meeting.
 - Roy Chapman seconded the motion.
 - The motion was carried.

F. **PRESIDENT/IT – STEVE KARCH**

1. The Board of Directors and Managers held a Strategic Planning Session following the Board Meeting on 16 February.
2. The Executive Committee met with Councilman Bill Patena on March 2nd to discuss WBVGC water rights leasing and well sharing program.

G. **VICE PRESIDENT / BYLAWS - TOM LODGE**

1. Tom Lodge was asked to research the Golf Club's possible liability arising out of Club events where alcohol is served. Details and recommendations will be discussed in Executive Session following the Board Meeting.
2. Tom Lodge, Roy Chapman and David Frey met to outline proposals to present to the Lessees of our restaurants. Details will be discussed in Executive Session.
3. A summary of the recent meeting among City Councilman, Bill Patena, City Engineer, Bill Mattingly, Steve Karch, Terry Bice, Rick Axelrad, Bob Oracheff and Tom Lodge will be discussed in Executive Session.

H. SECRETARY’S REPORT- RICK AXELRAD

1. The Membership Committee discussed a possible Cart Registration Fee for Associate Members. The Club currently has 119 Associate Members which represents a substantial revenue stream.
2. The idea of a Family Membership was discussed by the Membership Committee and all agreed that this is a possible worthwhile new category to be investigated. This membership would be for those families that have children that also play golf. Work needs to be done to determine if this is a good fit for the Club or is economically feasible. Possible age restrictions of the children and unintended consequences need to be explored.

I. TREASURER– TERRY BICE

1. Terry Bice met with Jim Almrud and David Escobedo to establish a timeline for cash requirements to support the Lakes Irrigation Project. A meeting is scheduled within the next two weeks with the contractor to conclude the requirement dates.
2. David has determined that he will need approximately \$260,700 to complete the course improvement program, and xeriscaping, approved by the board. This is approximately \$80K above the accumulated Asset Protection Fund and approximately \$261K above the Lakes Irrigation Project. The sum of the LIP of \$1.9 M and the \$.261M bring the total to \$2.161M forecasted for the entire project. The monies for the course improvement program shall come from the asset protection fund, especially funded for this purpose. At this time the fund is approximately \$80,000 underfunded. This shortfall will be made up by selling hole sponsorships, course naming rights, other fundraisers, and/or from the forecasted profit during the FY 2015.
3. A budget and finance committee meeting was held on February 9, 2015 to discuss ideas for fund-raising effort. Fund-raising ideas will be discussed at the next meeting/along with ideas for locating a person or company to purchase the Naming Rights for the Vistas' course. An article for the website or Lifestyle Magazine was suggested that would demonstrate the value of Westbrook homes with or without the golf courses.
4. Terry Bice will begin meeting with managers to start the 2016 budget process. A draft budget should be ready for the June Board meeting.

YTD Cash Basis Financial Report	FY 2015 thru February 2015		
	Actual	Budget	Variance
Operating Income *	1192.1	1215.8	(23.7)
Operating Expense *	1159.4	1123.4	(36.0)
Operating Margin	32.7	92.4	(59.7)
Capital & Leases *	(127.3)	(103.10)	(24.2)
Est. Operating Cash Impact	(94.6)	(10.7)	(83.9)
Reserve Status			
Initiation Fees & Capital Fees to APF	54.10		
Asset Protection Reserve Balance	474.6		
LIP Asset Protection Balance	202.2		

J. FACILITIES COMMITTEE – ROY CHAPMAN

1. Many repair and maintenance project were completed in February.
2. Roy met with restaurant managers to discuss issues related to old equipment and electrical/plumbing problems.
3. Roy is looking into the replacement of the railing beside the lake from number 18 to the clubhouse at the Lakes course.

K. GOLF COMMITTEE- STEVE JOBE

1. The Club Championship is scheduled for March 28 and 29. One of the main goals this year is to increase participation. There will be no entry fee, a free patio party with complimentary beverages provided by Hensley Beverage Company and live entertainment by “Rod Stewart” owner of Desert Valley Landscape. Thanks to David Frey for securing these donations. Hensley is providing raffle prizes and we will have a 50/50 drawing to help offset cost of prizes and food. The board had already agreed to fund up to \$500 if needed for trophies and prize money. Format will be same as past with Men’s Champion being low gross from the back tees and Women’s Champion being low gross from any flight. We will have multiple flights depending on number of entrants playing for Net prizes.
2. The Handicap committee is chaired by Jeanette Graham, who has served for 7 years. She ready to step down as of February 2016. A new chairman needs to be recruited. Jeanette will look to the existing committee for a volunteer. Several members who were not posting scores were loaded with penalty scores and are now posting.
3. The Golf Committee also heard a proposal from Dashelle Frey to add gold tee markers at the Lakes after the LIP which will be positioned in between the white and red markers. Gold tees would need to be analyzed for slope and rating. Cost will be \$90 per set but will be offset by selling to members for \$500 yielding profit of \$410 per tee. The Committee agrees and asks the Board to approve.

L. GREENS AND GROUNDS / LRP COMMITTEE - BOB ORACHEFF

1. The over seeding plan for 2015 will be reviewed and recommendations developed to expand. The team headed by Lloyd Armor and Bob Schultz will survey both courses and map areas for expansion and estimate the area to determine the acreage affected. Cosmetics and playability will be considered. An example of appearance includes the #1 tee box at the Lakes which is a mud patch and leaves a poor impression to start a game.
 - a. Poor wear design such as the traffic pattern on #10 at the Lakes where scattering onto and off of the fairway trashes the rough and creates skinned areas. Ideas will be reviewed with DE for evaluation.
 - b. Consider over seeding up to cart paths in all areas.
2. Course enhancement plans focusing on the #18 holes are progressing. Initial artist illustrations are in place but require more detail. It was suggested that the drawings be posted in each club house so members can see proposed ideas with requests for feedback. In addition, the subject of course beautification and design may be a tool for soliciting contributions for trees, bushes and flowers. Inquiries have already been made in that regard.
3. New tee boxes will be considered for intermediate distances. One need example is an added box at #5 Lakes half way between the white and red.

M. COMMUNICATIONS – CATHY RAICH

1. The Communications Committee participated in the following:
 - Published monthly member e-mail
 - Monitor and edit website information
 - Prepared article for LifeStyles Magazine
 - Working on local newspaper for NCAA Div III coverage
 - Submitted PR to AZ Republic and circulated PR to local news papers
 - Working on RJP Estate Planning initiatives for WBV Homeowners
 - Assisted other board initiatives

N. SALES/MARKETING - DAVID FREY

1. Tee marker sales are continuing.
 - Total amount sold since Oct 2014 = \$7,000
2. Renewals and new Business Associates have been signed up.
 - Total raised since Oct 2014 = \$18,500 Cash, \$5,000 worth of product
3. All of the old tee markers have been sold.
 - Total raised = \$6,874
4. A possible candidate for the Naming Rights at the Vistas course looks positive.

O. UNFINISHED BUSINESS

1. Roy is ready to proceed with the Lakes main well roof cover as soon as the HOA approves the plan.
2. David Escobedo will meet with Terry Bice to determine financing for the Course beautification project.

P. NEW BUSINESS

1. Cathy Raich motioned to approve the proposal to add gold tee markers at the Lakes course after the LIP which will be positioned in between the white and red markers.
 - David Frey seconded the motion
 - The motion was carried.

ADJOURN: Tom Lodge adjourned the March 11, 2015 board meeting at 4:45 PM.

NEXT MEETING: Wednesday, April 8, 2015 at 3:00 PM in the Golf Club Conference Room.

Rick Axelrad, Secretary
Westbrook Village Golf Club