

PRELIMINARY

FAIRFIELD BAY COMMUNITY CLUB

BOARD OF DIRECTORS

MARCH 26, 2019

A regular meeting of the Fairfield Bay Community Club Board was held on Tuesday, March 26, 2019, at 3:00 p.m. in the Fireside Room at the Indian Hills Complex.

Directors attending: President Dave Foster, Bill Fisher, Doug Forsman, Nancy Mueller, Rose Shurts, Tom Welch, and Jack Weeks.

Rocky Nickles, General Manager, and Martha McDoniel, Chief Financial Officer, also attended.

There were fourteen guests and seven managers in attendance.

President Dave Foster led the group in the Pledge of Allegiance. A prayer was given by Doug Forsman.

19-14 Motion was made by Doug Forsman, seconded by Jack Weeks, and unanimously carried to accept the regular minutes of February 26, 2019, e-mail Survey of March 1, 2019, and e-mail Survey of March 13, 2019, as presented.

The financial report was given by Martha McDoniel, Chief Financial Officer.

Jack Weeks explained the reason the board will rarely ask a question regarding the financials during in the regular meeting is they have had several days to look at them and have asked needed questions.

Rocky Nickles informed the group there was a 10% attrition rate in 2018.

Mr. Nickles explained the Club has changed the way revenue is being monitored. It is now on a cash basis and it is easier to see any variances in real time.

He reported the first three months of 2019 the Club is averaging a 6% attrition rate.

He stated it will be a very tough year. The department heads are deferring non – critical expenditures to buffer the anticipated reduction in revenues. He is hoping the Club will break even by the end of the year.

Mr. Welch asked how much money was in the contingency fund. Mr. Nickles said there is \$204,000.

The Manager Reports were given.

It was reported repairs to Lynn Creek Crossing are scheduled to be completed by Memorial Day. The installation of a fiber optic loop to all Club buildings is progressing. The 2018 audit is almost complete.

Mr. Welch recommended hiring seasonal staff when replacing existing golf maintenance positions.

There were no Contacts by Owners/Board.

Dave Foster, representing Team 2035, said there are bills being considered in the 2019 Legislative Session that may impact the Club.

The 2035 Committee goes to the Capital each session to explain our legislative priorities to Sen. Irvin and Rep. Beck. The Committee tracks bills important to Fairfield Bay through the legislative process and makes contacts with the appropriate legislators when needed. Our support of the legislation that has allowed UTV's on city streets was critical for that bill to pass during the last session. Team 2035 Committee's involvement and Mayor Wellenberger's personal contacts were critical to the bill being signed into law.

Paul Wellenberger stated a bill important to Fairfield Bay is being heard by the Rules Committee today. If the bill passes, it will go to the House floor this afternoon. If signed into law it will allow cities to hold package liquor sales referenda. The bill would require 38% of citizens in a city to sign a petition to get a wet/dry issue placed on the local ballot in 2020. A simple majority will be required to authorize package sales in Fairfield Bay. This legislation will make the Bay more attractive as a recreation destination and will benefit our tax base.

Team 2035 is also working to support a bill to collect sales tax on internet sales. This legislation is critical if our local merchants are to compete on a "level playing field" with internet vendors, many of whom do not report internet sales to the state. Amazon is a notable exception.

Mayor Wellenberger stated the Fairfield Bay sales tax is up 27% for the year to date.

GM Rocky Nickles reported that Team 2040, modeled after our Team 2035, is being formed in Clinton. A group of leading citizens have joined the committee. Their first priority is capitalize on the opportunity that widening Highway 65 to four lanes will bring to Clinton and to our end of Greers Ferry Lake. Club GM Nickles and Mayor Wellenberger are meeting with that committee.

A Poker Run will be held on April 6, 2019, to benefit the Fairfield Bay Volunteer Fire Department. The last poker run brought 150 UTV's and over 300 visitors, many of whom had never been to the Bay before. Two condos, one home, and two unimproved properties were sold to UTV enthusiasts as a direct result of their participated in the event.

19-15 Motion was made by Doug Forsman, seconded by Rose Shurts, and unanimously carried to approve a capital expenditure in the amount of \$2,460 to replace broken furniture at the Cool Pool.

19-16 Motion was made by Tom Welch, seconded by Bill Fisher, to approve a capital expenditure in the amount of \$87,758 to purchase three pontoon boats and two used boat trailers. Voting for was Bill Fisher, Doug Forsman, Nancy Mueller, Rose Shurts, and Tom Welch. Jack Weeks voted against, noting he approved, but not for the full package request.

Marina Manager, John Conry responded to a question regarding how long it will take to cover the cost of the boats from rental charges. He responded that it usually takes about 18 months and that the boats will remain in service for five years.

The next regular meeting will be held on Tuesday, April 23, 2019, at 3:00 p.m.

19-17 There being no further business to bring before the Board, a motion to adjourn was made by Rose Shurts, seconded by Doug Forsman, and unanimously carried.

Dave Foster
President

Tom Welch
Secretary