

PUBLIC NOTICE
BOARD OF DIRECTORS MEETING
FOR THE
DOUGLAS PUBLIC FACILITY MUNICIPAL PROPERTY CORPORATION

will meet

Tuesday, September 25, 2018, at 5:30 p.m.

at

Douglas Golf Course
1372 E. Fairway Drive
Douglas, AZ

PURSUANT TO THE AMERICANS WITH DISABILITIES ACT (ADA), THE CITY OF DOUGLAS DOES NOT, BY REASON OF A DISABILITY, EXCLUDE FROM PARTICIPATION IN OR DENY BENEFITS OF SERVICES, PROGRAMS OR ACTIVITIES OR DISCRIMINATE AGAINST ANY QUALIFIED PERSON WITH A DISABILITY. INQUIRIES REGARDING COMPLIANCE WITH ADA PROVISIONS, ACCESSIBILITY OR ACCOMMODATION CAN BE DIRECTED TO RENE MOLINA WITHIN 72 HOURS AT 520.417.7312, FAX 520.417.7143, 425 10TH STREET, DOUGLAS, ARIZONA 85607.

AGENDA

Board of Directors Meeting
Douglas Public Facility Municipal Property Corporation

Tuesday, September 25, 2018, at 5:30 p.m.

at

Douglas Golf Course
1372 Fairway Drive
Douglas, AZ 85607

1. Call to Order
2. Roll Call
3. Persons wishing to address the committee in writing or verbally on any item not on the agenda.
4. Approval of Minutes for Douglas Public Facility Municipal Property Corporation (MPC) meetings held on August 21, 2018.
5. Report or update on current Balance Sheet(s) and/or Bank Balance(s).
6. Discussion/Presentation and possible Decision/Direction on approving the 2018-2019 Budget for the MPC, and possible report/comparison regarding 2017-2018 and 2018-2019 Budget forms.
7. Discussion/Presentation and possible Decision/Direction regarding status of ADOC employee service to the golf course and facility.
8. Information with Discussion and possible Decision/Direction on formal documentation and reporting of employee hours worked.
9. Information with Discussion and possible Decision on standing report from staff regarding maintenance at the golf course MPC facility.
10. Information/Update with a possible Discussion/Decision on any recent events, occurrences, tournament updates or concerns at the golf course since the August 2018 meeting.
11. Discussion and direction/consensus for items to be discussed at future meetings.
12. Adjournment

Posted September 21, 2018 at 3:00 p.m. by:



Alma Andrade, Deputy City Clerk

MEETING MINUTES

Board of Directors Meeting Douglas Public Facility Municipal Property Corporation

Tuesday, August 21, 2018, at 5:30 p.m.

at

Douglas Golf Course
1372 Fairway Drive
Douglas, AZ 85607

1. Call to Order

Meeting was called to order by Francisco “Tachi” Durazo at 5:31 p.m.

2. Roll Call

Board Members present were: Bosco Selchow (6:06 p.m.) & Paula Shelton (6 p.m.) (showed up a few minutes after commencement), Manny Robles, Ken Nelson, Francisco “Tachi” Durazo and Ruben Robles. City Official(s) present was Luis Pedroza, Finance Director. Others persons attending were Rhiannon Posada. Kevin Alvarado are absent and excused.

3. Persons wishing to address the committee in writing or verbally on any item not on the agenda.

(NONE)

4. Approval of Minutes for Douglas Public Facility Municipal Property Corporation (MPC) meetings held on July 17, 2018.

A motion was made by Ken Nelson and seconded by Manny Robles to approve minutes as presented and after little to no discussion, the motion was approved unanimously.

5. Quarterly Financial update/report on current months and 2018-2019 fiscal years for the Douglas Public Facility Municipal Property Corporation. The report may include Balance Sheet(s) and/or Bank Balance(s), along with possible information on the figures for the 2017-2018 fiscal year subsidy.

A report was provided by Luis Pedroza. He reported having the 2017-2018 financials through June 30, 2018. The figures show fiscal year revenue at 101% of budgeted figures. Once you factor in the \$4K cash infusion from City the budgeted income is right at 100%. Expenditures came in at 106% of the budgeted amount. The \$12K payout is what put MPC over and the overall subsidy was \$17,431 over budgeted amount. The total subsidy was \$202K with \$185K being budgeted. Once you factor in the payout, the subsidy is reported at roughly \$5K over the programmed amount. Cash balance is stable at \$4,700 in the bank as of today for payroll purposes. Ken Nelson had a question about plans from City Administration about making up for the \$5K in expected subsidy overage and the reduction in subsidy from the City, and shared that in his opinion it was not in the best overall interest of the City. Luis Pedroza noted that revenues would need to increase and expenses would need to be mitigated. Pedroza noted that all City departments took a reduction and City Golf was no exception. “Tachi” Durazo noted that new hall rental fees were not advertised as promised and that hall rentals remain steady without any increases. Advertising is still needed as noted by Ruben Robles and Ken Nelson (local hall rental competition was pointed out by group) and Luis

Pedroza requested that marquee advertising should be sent to his attention. Current hall fees were noted by Rhiannon at \$600 to include all components. House rental information was requested by MPC Board as DOC inmates are lacking at MPC and City level; progress is being made to refurbish home. Once Max's paving projects at City slows down the house will get more attention.

6. Discussion/Presentation and possible Direction regarding 2017-2018 and 2018-2019 Budget documentation and forms along with comparisons on same for Golf Course MPC.

Luis Pedroza reported he has not received budget document from Bosco Selchow. Item was postponed to the end of the meeting with a motion from Ken Nelson and seconded by "Tachi" Durazo and approved by group. (although not necessary). Once Bosco Selchow joined meeting the discussion did not get very far as he noted that all his notes were submitted to CM. Duel would be paid by MPC and purchasing lower quantities to protect cash flow-as lots of outside mowers are being used with high fuel consumption.

7. Discussion/Presentation along with possible decision on MPC obtaining logistics and support for the Labor Day 2018 Golf Tournament.

"Tachi" Durazo reported that due to a lack of DOC the golf course has foregone and done without even the routine maintenance. There are events planned that will need course maintenance attention. Many Board members and volunteers have contributed a significant amount of work to the facility. Ten days are left before the Labor Day tournament, with many more volunteers planning to continue the free labor in mowing and maintenance. This is an untenable position & "Tachi" Durazo would like to ask CM for City Parks staff & equipment to help with grounds keeping & last minute mowing to get ready for the tournament. Bosco Selchow has contacted DOC for help and "Tachi" Durazo (though Luis Pedroza) will contact CM for direct help. Labor Day tournament logistics were discussed in general by group and Bosco Selchow confirmed all the reports given and is not very confident about getting the back 9 ready for tournament. It was reported that the big gang mower machine is ready to be used thanks to Kevin Foreman. Per Bosco, cart numbers seem to be where they need to be for the tournament.

8. Information with Discussion and possible Decision on formal documentation and reporting of employee hours worked and policy and status of employees as either being independent contractors or MPC employees.

"Tachi" Durazo clarified two-prong approach of agenda item, with independent contractor (IC) uses his own tools, resources and time. An employee is directed and has set hours per Luis Pedroza per IRS guidelines. Item was postponed to end on meeting with motion from "Tachi" Durazo and seconded by Ken Nelson and approved by group. (although not necessary). Bosco Selchow noted that Robert Forrest is definitely not an IC and will need a job description or some Employment Agreement, currently no taxes are taken out or have Workmen's Compensation but is being provided insurance; no contract has been provided by Robert Forrest to date other than an informal hand written wage agreement that had been signed by him and Smythe (as has been advise by Ken Nelson on this and previous occasions).

Upon inquiry by Mr. Pedroza, Bosco Selchow responded that the job title would be: Superintendent or possibly groundskeeper with Pedroza to provide City job descriptions from City. Hours worked records wise will be handled by Bosco Selchow (as he assured board) he would make sure proper records are kept on this concept by MPC.

9. Information with Discussion and possible Decision on standing report from staff regarding maintenance at the golf course MPC facility.

Bosco Selchow incorporated previous reports given for other agenda items and "Tachi" Durazo pointed out that expectations will need to be set forth with groundskeeper as to job performance and attendance at board meetings.

10. Information/Update with a possible Discussion/Decision regarding Robert Forrest's contract for the 2018-2019 fiscal year.

Work study session will need to be set up to come up with ideas for job performance and description. Size of group was discussed in order to prevent arranging a full blown meeting, as 3 or less (with other City officials present) could meet without the posting requirement and August 29 at 5:30 was set as meeting date. Bosco Selchow to appoint a committee to set discuss concept with "Tachi", Bosco and Ruben (with City officials) making up that oversight on agenda topic.

11. Information/Update with a possible Discussion/Decision on any recent incident, event(s) or concerns at the golf course since the July 2018 meeting.

Ken Nelson reported tournament a week ago Sunday and it was a great event with over and group also reported the Huber Junior high also had a well-attended tournament. Sun Downer is getting a good deal of attention; a general discussion on attendance of customers and salaries to maintain appropriate staff when food is served.

12. Discussion and direction/consensus for items to be discussed at future meetings.

Budget item as noted on number 6 herein, update on item 8 on this agenda, as well as the Forrest employment matter.

13. Adjournment

A motion was made by Ken Nelson and seconded by Ruben Robles to adjourn the meeting at 6:34 and the motion was approved unanimously.

Prepared by Juan Pablo Flores, City Attorney

**Golf Course MPC Budget
FY 2018/2019**

INCOME			
	MPC	CITY	TOTAL
GREEN FEES	50,300		50,300
TOURNAMENT FEES	6,000		6,000
LOCKER RENTAL	150		150
PUBLIC CART RENTAL	4,700		4,700
PRIVATE CART STORAGE	4,000		4,000
RANGE BALL RENTAL	3,100		3,100
PRO SHOP SALES	4,500		4,500
RV PARK SPACE RENTAL	35,000		35,000
HALL RENTAL/EVENTS	8,200		8,200
BEVERAGE SALES	70,000		70,000
FOOD SALES	10,000		10,000
EFFECTIVE INCOME	195,950		195,950
OTHER INCOME			
CITY SUBSIDY	170,000		170,000
TOTAL OTHER INCOME	170,000		170,000
EFFECTIVE GROSS INCOME	365,950		365,950
OPERATING EXPENSES			
PAYROLL EXPENSES			
GOLF COURSE/BAR PERSONNEL	140,000		140,000
BENEFITS/PAYROLL TAXES	7,000		7,000
TOTAL PAYROLL EXPENSES	147,000		147,000
GENERAL ADMIN EXPENSES			
LICENSES	10		10
ADVERTISING	600		600
DOC LABOR		5,500	5,500
DUES/SUBSCRIPTIONS/BUS LIC FEE	830		830
BOOK KEEPING/PAYROLL SERV	1,800		1,800
OFFICE SUPPLIES	200		200
POSTAGE	50		50
PROFESSIONAL SERVICES (SECURITY)	750		750
TELEPHONE/INTERNET		50	50
BANK FEES/DEBIT CREDIT CARDS	4,300		4,300
TOTAL GENERAL ADMIN EXPENSES	8,540	5,550	14,090
MAINTENANCE EXPENSES			
FIRE EXT INSPECTION	500		500
CHEMICAL TOILET SERVICE		882	882
AUTO/EQUIPMENT	300		300
ELECTRIC MAINTENANCE	500		500

GROUNDS MAINT/SUPPLIES	22,410		22,410
BUILDING MAINT	2,000		2,000
PEST CONTROL		1,000	1,000
LINEN SERVICE	2,100		2,100
GASOLINE/LUBE	2,000	11,500	13,500
CHEMICALS	1,500		1,500
CITY OF DOUGLAS LOAN	3,600		3,600
TOTAL MAINT EXPENSES	34,910	13,382	48,292
INVENTORY			
PRO SHOP ITEMS	3,000		3,000
FOOD	2,500		2,500
BEVERAGES		21,736	21,736
TOTAL BAR/PRO SHOP EXPENSE	5,500	21,736	27,236
INSURANCE			
WORKMANS COMP		1,215	1,215
HAZARD INSURANCE		19,141	19,141
INSURANCE CLAIMS/DEDUCTIBLE			0
TOTAL INSURANCE	0	20,356	20,356
UTILITIES			
DIRECT TV		2,400	2,400
ELECTRIC CC		13,500	13,500
ELECTRIC GOLF COURSE		30,000	30,000
WATER/SEWER/TRASH		20,186	20,186
NATURAL GAS		2,700	2,700
RV UTILITIES		20,500	20,500
TOTAL UTILITIES	0	89,286	89,286
TOTAL OPERATING EXPENSES	195,950	150,310	346,260
DEBT SERVICE			
LEASE PURCHASE CARTS		19,690	19,690
TOTAL DEBT SERVICE	0	19,690	19,690
GRAND TOTAL EXPENSES	195,950	170,000	365,950
DIFF REVENUE/EXPENSES	170,000	-170,000	0

**Golf Course MPC Budget
FY 2018/2019**

INCOME			
	MPC	CITY	TOTAL
GREEN FEES	50,300		50,300
TOURNAMENT FEES	6,000		6,000
LOCKER RENTAL	150		150
PUBLIC CART RENTAL	4,700		4,700
PRIVATE CART STORAGE	4,000		4,000
RANGE BALL RENTAL	3,100		3,100
PRO SHOP SALES	4,500		4,500
RV PARK SPACE RENTAL	35,000		35,000
HALL RENTAL/EVENTS	8,200		8,200
BEVERAGE SALES	70,000		70,000
FOOD SALES	10,000		10,000
EFFECTIVE INCOME	195,950		195,950
OTHER INCOME			
CITY SUBSIDY	170,000		170,000
TOTAL OTHER INCOME	170,000		170,000
EFFECTIVE GROSS INCOME	365,950		365,950
OPERATING EXPENSES			
PAYROLL EXPENSES			
GOLF COURSE/BAR PERSONNEL	140,000		140,000
BENEFITS/PAYROLL TAXES	7,000		7,000
TOTAL PAYROLL EXPENSES	147,000		147,000
GENERAL ADMIN EXPENSES			
LICENSES	10		10
ADVERTISING	600		600
DOC LABOR		5,500	5,500
DUES/SUBSCRIPTIONS/BUS LIC FEE	830		830
BOOK KEEPING/PAYROLL SERV	1,800		1,800
OFFICE SUPPLIES	200		200

**Golf Course MPC Actuals
FY 2017/2018**

INCOME			
	MPC	CITY	TOTAL
GREEN FEES	47,285		47,285
TOURNAMENT FEES	6,045		6,045
LOCKER RENTAL	163		163
PUBLIC CART RENTAL	4,745		4,745
PRIVATE CART STORAGE	3,947		3,947
RANGE BALL RENTAL	3,104		3,104
PRO SHOP SALES	4,479		4,479
RV PARK SPACE RENTAL	34,454		34,454
HALL RENTAL/EVENTS	8,163		8,163
BEVERAGE SALES	67,718		67,718
FOOD SALES	11,392		11,392
EFFECTIVE INCOME	191,496		191,496
OTHER INCOME			
CITY SUBSIDY	201,783		201,783
TOTAL OTHER INCOME	201,783		201,783
EFFECTIVE GROSS INCOME	393,279		393,279
OPERATING EXPENSES			
PAYROLL EXPENSES			
GOLF COURSE/BAR PERSONNEL	139,221		139,221
BENEFITS/PAYROLL TAXES	7,072		7,072
TOTAL PAYROLL EXPENSES	146,293		146,293
GENERAL ADMIN EXPENSES			
LICENSES	10		10
ADVERTISING	625		625
DOC LABOR		4,639	4,639
DUES/SUBSCRIPTIONS/BUS LIC FEE	160	670	830
BOOK KEEPING/PAYROLL SERV	1,800		1,800
OFFICE SUPPLIES	125	153	278

POSTAGE	50		50
PROFESSIONAL SERVICES (SECURITY)	750		750
TELEPHONE/INTERNET		50	50
BANK FEES/DEBIT CREDIT CARDS	4,300		4,300
TOTAL GENERAL ADMIN EXPENSES	8,540	5,550	14,090
MAINTENANCE EXPENSES			
FIRE EXT INSPECTION	500		500
CHEMICAL TOILET SERVICE		882	882
AUTO/EQUIPMENT	300		300
ELECTRIC MAINTENANCE	500		500
GROUNDS MAINT/SUPPLIES	22,410		22,410
BUILDING MAINT	2,000		2,000
PEST CONTROL		1,000	1,000
LINEN SERVICE	2,100		2,100
GASOLINE/LUBE	2,000	11,500	13,500
CHEMICALS	1,500		1,500
CITY OF DOUGLAS LOAN	3,600		3,600
TOTAL MAINT EXPENSES	34,910	13,382	48,292
INVENTORY			
PRO SHOP ITEMS	3,000		3,000
FOOD	2,500		2,500
BEVERAGES		21,736	21,736
TOTAL BAR/PRO SHOP EXPENSE	5,500	21,736	27,236
INSURANCE			
WORKMANS COMP		1,215	1,215
HAZARD INSURANCE		19,141	19,141
INSURANCE CLAIMS/DEDUCTIBLE			0
TOTAL INSURANCE	0	20,356	20,356
UTILITIES			
DIRECT TV		2,400	2,400
ELECTRIC CC		13,500	13,500

POSTAGE	12		12
PROFESSIONAL SERVICES (SECURITY)	745	12,369	13,114
TELEPHONE/INTERNET		14	14
BANK FEES/DEBIT CREDIT CARDS	4,261		4,261
TOTAL GENERAL ADMIN EXPENSES	7,738	17,846	25,584
MAINTENANCE EXPENSES			
FIRE EXT INSPECTION			0
CHEMICAL TOILET SERVICE		882	882
AUTO/EQUIPMENT		626	626
ELECTRIC MAINTENANCE			0
GROUNDS MAINT/SUPPLIES	32,727	240	32,967
BUILDING MAINT	855	7,860	8,715
PEST CONTROL		960	960
LINEN SERVICE	2,186		2,186
GASOLINE/LUBE	41	13,548	13,589
CHEMICALS		1,355	1,355
CITY OF DOUGLAS LOAN		4,000	4,000
TOTAL MAINT EXPENSES	35,809	29,473	65,281
INVENTORY			
PRO SHOP ITEMS	3,270		3,270
FOOD	4,703		4,703
BEVERAGES		26,969	26,969
TOTAL BAR/PRO SHOP EXPENSE	7,973	26,969	34,942
INSURANCE			
WORKMANS COMP		2,296	2,296
HAZARD INSURANCE		23,834	23,834
INSURANCE CLAIMS/DEDUCTIBLE			0
TOTAL INSURANCE	0	26,130	26,130
UTILITIES			
DIRECT TV		2,335	2,335
ELECTRIC CC		13,669	13,669

ELECTRIC GOLF COURSE		30,000	30,000
WATER/SEWER/TRASH		20,186	20,186
NATURAL GAS		2,700	2,700
RV UTILITIES		20,500	20,500
TOTAL UTILITIES	0	89,286	89,286
TOTAL OPERATING EXPENSES	195,950	150,310	346,260
DEBT SERVICE			
LEASE PURCHASE CARTS		19,690	19,690
TOTAL DEBT SERVICE	0	19,690	19,690
GRAND TOTAL EXPENSES	195,950	170,000	365,950
DIFF REVENUE/EXPENSES	170,000	-170,000	0

ELECTRIC GOLF COURSE		24,277	24,277
WATER/SEWER/TRASH		22,397	22,397
NATURAL GAS		2,357	2,357
RV UTILITIES		17,319	17,319
TOTAL UTILITIES	0	82,354	82,354
TOTAL OPERATING EXPENSES	197,813	182,771	380,584
DEBT SERVICE			
LEASE PURCHASE CARTS		19,690	19,690
TOTAL DEBT SERVICE	0	19,690	19,690
GRAND TOTAL EXPENSES	197,813	202,461	400,274
DIFF REVENUE/EXPENSES	195,466	-202,461	-6,996