

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