

# **Minutes of the Monthly Meeting of the Hillcrest Golf Club Board of Directors Tuesday May 18, 2021**

The regular monthly meeting of the Hillcrest Golf Club Board of Directors was held at the Hillcrest Golf Club on Tuesday, May 18th, 2021. President Brian Dommer called the meeting to order at 5:41 PM. The following Board members were present: Bill Warren, Bob Therrell, Brian Dommer, Britt Bassett, Elliott Fitz, Jeff Thompson, Michael Anziano, and William Gwinn. Jesse Larson's absence was excused.

The following Hillcrest staff members were present: Amy Moody, Lindsay Mattison, Michael McCloskey and Will Herz.

Member Rich Hohlhein was present via video link.

Special guests Mary Monroe and Christina Rinderle representing Durango Trails were introduced. They expressed Durango Trails appreciation for the winter nordic skiing made available on the golf course through the approval of the Board and the efforts of Hillcrest staff. They specifically acknowledged Will Herz for his expertise in and great job of trail grooming. Durango Trails presented the Hillcrest Golf Club with a check for \$500 and presented Will Herz with a gift basket. The Hillcrest Board appreciates this gift and also acknowledges the donation made directly by the skiers during the winter. All stated the good partnership between Durango Trails and the Golf Club and plan on it continuing.

## **A. MINUTES**

President Dommer asked if there were any revisions to the April minutes. With no changes, the minutes were approved.

## **B. PUBLIC PARTICIPATION**

President Dommer noted that the Board had received several email messages this month asking a variety of questions. He was generally able to point to the website or a newsletter to provide answers.

## **C. FINANCE MANAGER'S REPORT**

Amy Moody presented some highlights from the financial report she provided as part of the full board packet.

She reported that at the end of April 2021 our income statement compared to budget, our balance sheet, and are cash flow are all in good shape. The cash balance was \$291k, the long-term debt balance was \$741k, and \$59.4k in capital expenditures have been made so far this year.

Amy discussed the key performance indicator (KPI) of profit or loss from food and beverage (F&B) will be watched closely this year in that it was a loser in 2019 (and with covid, not relevant in 2020). It is too early to tell yet how it is doing in that large F&B purchases have to be made early in the season, but sales occur throughout the season.

The final, formal loan forgiveness of the PPP loan was received, so 2020 books have been close.

Progress has been made on obtaining the liquor license with President Dommer having been fingerprinted and his record checked. General Manager McCloskey is next in line for this.

Progress is being made on getting all of the contracts signed for the new fiber internet connect through FastTrack. The next step will include getting the easement approved by the City of Durango. This will not be done quickly as it involves several City Council meetings.

## **D. GENERAL MANAGER'S REPORT**

Michael McCloskey provided the report. He acknowledged Lindsay Mattison for her good work on the monthly newsletter. He also thanked Bill Warren for his newsletter article on the Hillcrest contract with the City which lasts through 2057.

### **1. General Operations Update**

Operations have been challenging while awaiting full staffing that will be completed this week with returning summer staff from colleges. Our summer intern this year is from the Univ. of Idaho who is scheduled to arrive this evening. In an arrangement with Fort Lewis, he will stay in college lodging.

Food & Beverage operations are fully staffed and fully running. An emphasis has been made on upgraded quality. The new kegerator is operational and seeing good usage. Daily F&B revenue has gone up. The first 9&Dine event was a success. Some ideas were discussed to expand information on the F&B deliveries to players - many seem unaware of the availability to order while on the course.

With better advertising the instructional clinics have been sold out every week so far. The Junior Golf Programs are underway with a variety of activities.

The first Sunday music event brought in 30-35 folks and resulted in a \$1k F&B day which does not happen often.

The Simulator is still up, but being used far less. Primary usage now is in club fittings which may have resulted in more club sales. Some Directors pointed out the noise of Simulator usage does not go well with dining. Some upcoming events will require use of the entire dining area, so the Simulator will be moved out of the way.

There are still some funds available for additional outdoor furniture.

The outdoor veranda patio carpeting is scheduled for installation on June 12th if weather permits.

### **2. Tee-time Capacity Update**

The 9-minute starting intervals are working OK. That, plus the availability of more early morning tee-times is alleviating some of the pressure. Next week tee-times will start at 7:30am. Soon they will start at 7:00am.

There are three groups who have taken advantage of the new pre-reserve fee program. This should have removed 20+ members from the rush to book.

There have been fewer member comments regarding tee-time capacity recently. The Board will continue to monitor and evaluate how these changes are working out.

### **3. Quarter 1 Physical Merchandise Inventory Completed**

Hillcrest has a goal to complete an inventory of physical merchandise each quarter. This means late nights for some of the staff. The Q1 inventory was completed and the differences detected compared to prior years is way down.

#### **4. Employee Lunch**

Employee thank-you luncheons at the Hillcrest Grille are being given once a month. The next is scheduled for May 27th from 11:30 to 1:00 and the Directors are invited to attend.

#### **5. Key Performance Indicators**

April was a very good month (compared to 2019, not 2020's covid shutdown). Year-to-date variances show all categories are trending in the right direction including F&B and merchandise. Revenue per round variances have improved in every section - which is a goal. With only 1.5 months of business, it is hard to verify trending, but what is shown is looking good.

Through April, there have been 9% more rounds played this year than last. Saturdays are currently the busiest days - likely from more out-of-town players coming on weekends.

### **E. GOLF SUPERINTENDENT'S REPORT**

Will Herz reported on course maintenance and answer questions from Directors.

The Greens and tees were aerated the week of May 3rd. thru May 6th. These areas are recovering more slowly than we would like due to the ongoing cold temperatures. All 5 of the new forward tees have been fully prepared for seeding, but have to await warmer weather. The entire course will be fertilized the week of May 24th. We added new flags, flagsticks, and cups to the course to help dress up our appearance. We will begin prepping and seeding the areas where trees were removed in the next couple of weeks as well as some other areas impacted by the winter. All bathrooms and water fountains are now out and operational on the course.

On June 1st we are scheduled to receive 10 new trees from a City of Durango grant. These will include Hawthorns and Catalpas. The City digs the holes and plants them. We maintain them thereafter. This could be a yearly event as the City will now include Hillcrest in its yearly inventory. We plant a tree for every tree we take out. We also planted a "moon tree" which is a second-generation American Sycamore originally grown from seeds that orbited the moon carried by astronaut Stuart Roosa from Durango.

We will begin prepping flower beds in the next couple weeks and replant when temperatures allow. We will be meeting with a possible subcontractor who could supply and maintain the flowers in beds and in the clubhouse.

The maintenance area security gate is now installed, operational, and working well.

We have added a couple more staff members to the crew and are close to having a full staff in place by June 1st.

### **F. COMMITTEE REPORTS**

#### **1. Golf Operations Committee**

Michael Anziano discussed some items from the report he provided in the board packet.

There is an effort for more "cross utilization" of staff to rotate some of them between different parts of the operation as need arises. The number of Course Marshalls have increased from 4 to 5, with some part-time positions. This will allow a "Starter" role as demand increases in the summer.

The Adaptive Golf Association started operations on May 14th. When not limited by covid protocols, they have about 65 participants and are one of the larger programs in the state. They recently received

two grants so have been able to contribute to some improvements at Hillcrest. They funded a mural which was painted at the short-game practice park, a new water fountain on 17, and there will be yardage markers installed with distances to the practice greens.

F&B service is now fully staffed. The beverage cart service has been increased to 4 individuals who can also help out the F&B staff as needed.

The Golf Survey preparation is still underway. A review of draft survey questions will be held at the next Golf Ops meeting. A review of which platform to use to conduct the survey is also underway.

## **2. Grounds Committee**

A course drawing showing cart paths and linear distances was reviewed. Photographs of some of the deteriorating areas were sent to the board. Some more recent damage was done by large trucks involved in the tree removal. The Board agreed the cart paths need to be replaced and noted that our Capital Projects plan includes this work. Discussion was held on if this work should be done sooner as interest rates on a loan to pay for the work may increase. Discussion was held on the possibility of other materials than asphalt, but at this time asphalt is still the most economical and if installed properly would provide the best service.

## **3. Policy Committee**

The Policy and Finance Committees met. See details below in the section on Cart Shed Agreement.

# **G. UNFINISHED BUSINESS**

## **1. Cart Shed Agreement**

The finance committee met on May 12th to take an initial look at the old Cart License Agreements that covered private carts and their storage sheds. The committee is suggesting that the old agreement be retired and two new ones be created to replace them. The first would cover cart shed rental, and the second would cover operation of an electrified conveyance on the club's property. The new agreements would remove the Club from having anything to do with cart sales related to the cart sheds.

Other considerations in the agreements that were discussed included insurance requirements, cart rental shed transfers being based only on the Clubs waitlist, the need for maintenance on the sheds, and expanding the private cart agreement to include all powered conveyance devices.

An initial financial analysis of the current cart shed agreements was done to compare income from them to income if all the rounds using them had paid for regular cart rentals. An initial comparison of current cart shed rental costs to local rental spaces and to other nearby course cart rental costs was made.

The Policy and Finance Committees will continue to work on putting together these new agreements.

## **2. PV Project**

After learning that LPEA will not decide on allowing Aggregate Net Metering anytime soon, the Club is now considering just a single photovoltaic (PV) system on the clubhouse roof. A recent proposal received from a local solar developer was reviewed. Further research and financial analysis will be completed by the Board before any recommendations made.

## **H. NEW BUSINESS**

### **1. Covid Protocols**

Now that the CDC has announce new protocols, the Board discussed what protocols should be in place going forward.

A motion was made to change Hillcrest Covid policy such that within the clubhouse, Hillcrest now recommends masks for customers and requires masks for staff until reevaluated on June 1st. The motion was seconded.

After discussion, there were 4 votes for, 3 against, and 1 abstained, so the motion passed.

### **2. Newsletter**

A variety of suggestions were made as to possible newsletter articles that could be contributed by Directors.

## **I. UPCOMING CALENDAR ITEMS**

The next board meeting will be held at the clubhouse on Tuesday, June 15th, 2021 at 5:30pm.

## **J. EXECUTIVE SESSION**

A motion was made and seconded to go into executive session to discuss personnel contracts. The motion passed unanimously. The Board was in executive session from 8:55 to 9:10pm.

Back in regular session, a motion was made to adopt the Paid Time Off Policy addressed in the Executive Session. The motion was seconded and passed unanimously.

## **K. ADJOURNMENT**

The meeting was adjourned at 9:12pm.

*Submitted by Britt Bassett, Board Secretary*