

Minutes of the Monthly Meeting of the Hillcrest Golf Club Board of Directors Tuesday July 20, 2021

The regular monthly meeting of the Hillcrest Golf Club Board of Directors was held at the Hillcrest Golf Club on Tuesday, July 20th, 2021. President Brian Dommer called the meeting to order at 5:38 PM. All Board members present were: Bill Warren, Bob Therrell, Brian Dommer, Britt Bassett, Elliott Fitz, Jesse Larson, Michael Anziano, and William Gwinn. Jeff Thompson's absence was excused.

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

A. MINUTES

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

B. PUBLIC PARTICIPATION

There were no members present.

C. FINANCE MANAGER'S REPORT

Amy Moody referred to the detailed report in the monthly board packet for details, but said that in general, the numbers are good. Through June, our annual net income is higher than what was budgeted at about \$199k. The Club has a cash balance of \$404k with long-term debt of \$710k. \$82.1k of capital expenditures have been made so far this year which is about \$6k below what was budgeted.

D. GENERAL MANAGER'S REPORT

Michael McCloskey provided the report. Staff has been battling golf cart usage capacity and has had to delay several tee times awaiting return of a needed cart. Likely, because of the heat, more are riding now rather than walking. The preference of some to riding single in a cart has also put pressure on. A charge will now be assessed for players who choose to ride single when a cart seat is available in their foursome.

All summertime positions are fully staffed, but some summertime staff will be returning to their colleges in mid-August. At that time, some additional hiring may be necessary.

The simulator was taken down for the Chili Pepper Tournament dinner as full clubhouse seating capacity was needed. The Flight Monitor part of the simulator is being used with club fittings. The simulator will be put back up in late fall.

The last few weeks have been very busy at the course with heavy summertime play, tournaments, Junior Camps, and the Junior League. Hillcrest has 17 players in the Junior Golf Advanced league.

Club tournaments have had high participation and have so far been highly successful. The Chili Pepper was sold out with 100 women golfers participating.

There has been a recent flurry of reservations for the upcoming 60th annual Navajo Trail Open Pro-Am tournament. There are now 130 of 180 spots filled and the signup deadline is 8/1. So far, 17 Hillcrest members have signed up.

There have been 5 outside events held so far which have helped boost club revenue.

The five-day 4th of July sale was successful with \$8,500 of merchandise sold.

Slightly more golf rounds were played in June of this year compared to last. With Hillcrest fully open now, compared to last year, income for Rounds Played, Cart Rentals, Driving Range, Food & Beverage (F&B), and Merchandise sales are all up. The golf round mix by category and play mix by time of day are similar to last year and continue to show members make up about 60% of the rounds played.

E. GOLF SUPERINTENDENT'S REPORT

Ken Kirby presented details and answered questions on the report he provided for the board packet. He highlighted that two more sprinkler heads have been installed on #11. The crew has finished edging, weeding, and adding sand to all of the bunkers. The course, and in particular greens 11 and 12 were showing stress from the heat, but have recovered. Some trespassing has occurred at night with minor thefts of course markers, and vandalism from "tagging" on the clubhouse. Surprisingly, even with the heat, water usage is down somewhat. The mystery failure on one of the mowers was finally repaired at the factory and has been returned and put back into service. The new forward tee boxes are progressing well and may be able to go into service in mid-August. The goal is to open them all at once, so even though most will be ready, opening will be held up until, the slowest, #2 is ready. Ball marks and divots continue to be an issue with the heavy course usage.

F. COMMITTEE REPORTS

1. Finance Committee

Bob Therrell provided the report. This committee met the previous Thursday, July 15th. He noted that while F&B and Merchandise sales are substantially up, payroll is higher as well because of the need for additional F&B staff and Operations staff to handle the increased course usage and number of tournament and clinics.

At the Finance Committee meeting, a deep dive was done into the proposed solar electric project for the clubhouse roof. The full board further discussed potential electric utility bill savings, need to verify building structural loads, insurance impacts, and other concerns and benefits of the project.

Bob Therrell then made a motion that Hillcrest move forward with the solar project contingent on getting an agreeable contract and verification of building structural loads. The motion was seconded, then unanimously approved. President Dommer established a Clubhouse Solar Committee and appointed Britt Bassett as chair and himself and Bob Therrell as committee members.

2. Grounds Committee

Bill Gwinn reported that the committee reviewed a formal bid for the repair and sealing of the parking lot and asphalt adjacent to the clubhouse. Both these areas and the asphalt adjacent to the Maintenance Building are beginning to fail. Bill recommends that we request a bid to also repair and seal the Maintenance Building area and authorize this work to be done this fall.

Further discussion with Amy and Finance Committee was held on doing this work with available cash.

A motion was made by Bob Therrell that Hillcrest modify our 2021 capital budget by approving up to a \$30k expense for the sealing of the main parking lot, the clubhouse asphalt, and maintenance area asphalt. The motion was seconded and unanimously approved.

Bill reported that a formal bid has also been received to remove and replace the cart paths on the front 9. The Finance Committee will have to review this bid along with a deeper review of finances before any recommendations on this work can be made.

3. Tournament Committee

Jesse Larson reported that the tournaments are going well and have seen good participation. Most have a higher number of players than last year. Discussions are being held on the number of tournaments - do we want more, less, or same? The survey results (see below) will be helpful in setting up future tournament design and schedule. The tournaments do take a lot of work, but bring in more revenue, and are an important part of what Hillcrest provides.

4. Golf Operations Committee

Michael Anziano provided the report. The focus has been on the survey that was recently completed. There were 572 responses, mostly from members, but also a good number from non-members. Lindsay Mattison did a good job in compiling the results - a detailed report for the Board and a summarized report for the web site. Lindsay reviewed some of the key findings from the survey. These results will help guide Board decisions in the future.

5. Policy Committee

Bill Warren reviewed and answered questions about the new proposed policy on player code of conduct.

A motion was made by Bill Gwinn to adopt this new policy on Player Code of Conduct. The motion was seconded and passed unanimously. Further discussion was held on how to implement the policy.

A discussion was held on when and how to put the new Cart Shed Rental Agreement into place. A discussion was held on how to handle the Cart Shed waiting list. The General Manager will take on the responsibility of deciding when and how to inform the cart shed lessees about the new agreements which will be required as of next April 1st, and how to implement the waiting list.

G. UNFINISHED BUSINESS

1. Improved Broadband Connectivity

The service contract has been approved by the Club, FastTrack, and Verizon. The next step before construction can start is to get the easements for the new underground fiber segments to be approved by the City Council.

2. Upgraded Liquor License

The completed liquor license upgrade application has now been approved by the City Council. It will now be sent on for approval to the Colorado Department of Revenue Liquor Enforcement Division.

H. UPCOMING CALENDAR ITEMS

The next board meeting will be held at the clubhouse on Tuesday, August 17th, 2021 at 5:30pm.

I. EXECUTIVE SESSION

No executive session was held.

J. ADJOURNMENT

The meeting was adjourned at 8:14pm.

Submitted by Britt Bassett, Board Secretary