



Transition FAQ's

June 14, 2018

Hillcrest's Board of Directors has answered a number of questions from members at their board meetings and work sessions but wants to make these answers available to all members. Other questions can be sent to hillcrestgolfclub@gobrainstorm.net

Will this transition cause rates to increase?

No. Green fees, trail fees, and membership fees will remain the same for the 2019 season.

How will tournament credits be handled in this transition?"

Although credit holders are not required to do so, the Board of Directors and John Vickers request that holders of tournament credits redeem them by purchasing merchandise in the Pro Shop prior to August 20th. However, any 2018 credits not redeemed will be honored by the club through the end of next season, December, 2019.

How will Club revenue change after our transition?

Before:

\$800,000 revenue from green fees, membership dues, trail fees coupon books, locker rentals, rent from Golf Pro

After:

\$1,400,000 revenue from green fees, membership dues, trail fees, coupon books, locker rentals, Snack Bar, Pro Shop, Carts, and Range Balls,

How much capital spending (repair and replacement of furniture, fixtures, equipment, and infrastructure) will be needed over the next 20 years?

About \$2.5 million, averaging \$125,000 per year

How will our capital spending change after our transition?

Before:

Approximately \$50,000 per year

After:

Approximately \$125,000 per year over five years

What is the Club's cash balance?

Our goal is to maintain a minimum of \$100,000 in the bank operating account at all times.

How will services to the members change after our transition?

Before:

Golf Pro works 7 months
Pro Shop closed in winter

After:

Golf Pro works 12 months
Pro Shop open for sales, club fitting, and lessons

What does the buyout of our current Golf Pro involve?

The club will purchase the current cart fleet, then trade it in for a new fleet in 2019. Inventory in the Pro Shop and Snack Bar on August 20 will also be bought, in addition to club fitting equipment and supplies, Pro's office computer and furnishings, range balls and equipment, and miscellaneous office and kitchen equipment.

How much will this buyout cost the Club?

The Board and the Golf Pro are working together at this time to determine the value of these items.