

**MINUTES OF THE MEETING of the
BOARD OF DIRECTORS HILLCREST GOLF CLUB**

Tuesday March 10, 2020

The meeting of the Board of Directors was held at Hillcrest Golf Club on Tuesday, March 10, 2020. President Bryce Fauble called the meeting to order at 5:28 PM. A roll call was taken and the following Board members were present: Bryce Fauble, Marcia Baxter, Michael Anziano, Jessie Larson, Bill Warren, Bob Therrell, and Brian Dommer. Sue Pierce was excused.

The following Hillcrest staff members were present: Michael McCloskey, Karen Gallegos, Ken Kirby, Will Herz, Amy Moody, and Austin Schrage.

Bryce Fauble announced that there is a vacant Board position. Steve Embry, who was serving as Treasurer, has officially resigned from the Board. Brian Dommer, who has previously served as Treasurer for the Board, has been appointed as Treasurer by President Bryce Fauble. It was noted that Brian would have to sign bank documents for his new appointment. Board members were asked to think about what skills are needed on the Board and / or who might be the right person to fulfill the remaining term.

MINUTES:

Bryce asked for any corrections for the minutes of the February 11 meeting. As there were none, Bob Therrell motioned to approve them, 2nd by Bill W. Minutes were approved as written.

PUBLIC PARTICIPATION:

This is the time set aside for members to ask questions, share concerns or give ideas to the Board and the Hillcrest staff. There was one attendee.

Bryce read a thank you email from Griffin Holt to the club for refunding his membership fee pro rata due to a medical reason.

GENERAL MANAGER'S REPORT: MICHAEL MCCLOSKEY

- The club opened the range and short game facilities on February 28. They have been heavily used. A big thanks goes to Ken and Will for making this happen.
- Preparation is in high gear for opening day Friday March 13. All the staff is anxiously awaiting and excited to start the season.
- The Clubhouse cleaning is finished. In progress is updating the shadow boxes as well as increasing the digital signage to effectively communicate information relevant to all golfers.
- Junior Golf program and scheduling is underway.
- A detailed summary for year to-date pass sales was presented. Revenue vs. year ago is around \$60k ahead.

FINANCIAL MANAGER'S REPORT: AMY MOODY

- Cash balance as of 2/29/20 is \$184,969. Cash needs projected to be met without borrowing funds.
- Operating income is \$172,559; total revenues are \$291,394, and operating expenses \$118,835.

- Capital Expenditures – no major expenditures occurred in past month.
- Follow up from February:
 - Intangible Consulting Asset was the net book value of the Master Plan of \$20k which is no longer applicable. Expensed in 2019.
 - TBK Bank Update: Amy met with Candy at TBK and reviewed the debt service coverage ratio calculations. They had been using the 2018 data (not 2019) so we are in good standing and can get additional funding if needed. This is in contrast to what was reported at last month's meeting.
 - Historical trail fee revenue was compared to capital expenditures to verify that the intended use of the fees was met. In addition, the origin of the cash reserve account and the intent to use it for unexpected costs was discussed. Marcia B. made a motion to authorize Amy to do some accounting housekeeping, such as reclassification of the equity accounts, to better reflect the financial position of the club. The motion was seconded by Jesse L. and passed unanimously by show of hands.

GOLF SUPERINTENDANT'S REPORT: KEN KIRBY

- Maintenance shop insulation has been completed at estimated cost of \$28k which is under the \$35k budget.
- Aerating and sweeping of debris is being done by Ken & Will and should be complete by opening day.
- New tee markers are expected to arrive in time for opening day.
- Restrooms are open and ready for play except the one by Hole #2 which is always opened later.
- The irrigation system will be charged within the week to ensure all is functioning. City water will hopefully be available after completion of the new flume they are installing on #6.
- Eric Dunn is back and one new staff member is starting as well as Ryan Baker returning week of March 16.
- As a whole, the golf course came out of winter very well and everyone is very optimistic not only about the turf but play as well. The entire crew is looking forward to seeing everyone as the season begins.

COMMITTEE REPORTS:

- Finance – Brian Dommer reported there was a meeting on February 18 of the Finance Committee to work on defining the duties of the Treasurer vs. Finance Manager. It was determined that the role as defined in the Bylaws should be revised in light of the new Finance Manager position and to be better aligned with the duties of other committees.

The Finance Committee would like to review the financials prepared by the Finance Manager before each Board meeting. In order to accomplish this, it was suggested that the Board meetings be moved forward (later) by a week each month to allow time to do this. After discussion, Brian D. made a motion to change the regular Board meetings to the third Tuesday of each month, same 5:30 start time, 2nd by Bob T. Motion passed by show of hands unanimously. Karen G. expressed that the Annual Meeting time needed to be changed also if the Board wished to have the meetings back-to-back as currently. Jesse L. made a motion to propose a Bylaw change to move the Annual Meeting to the 3rd Tuesday in November. Motion 2nd by Brian D. and passed unanimously by show of hands. As this is a Bylaw change, that process will have to occur in order for the change to take effect.

- Grounds – Bill Warren laid out the need for Capital Expenditures (CapEx) projection plan. There are many projects that would be in the plan and would help in continuity for priorities with the yearly Board member changes. A reserve fund for unexpected expenses such as roof repair or equipment failure is suggested.

Bill requested that members come directly to him if they have any suggestions or ideas concerning club the course vs. going to the grounds crew or anyone else.

- House - Karen Gallegos reported the carpet cleaning and spring cleaning was completed. The new AED unit has been mounted on the front of the clubhouse outside. There will be training provided for a few staff.
- Tournaments – Jesse Larson reported all tournaments have sponsors however the committee added a spot in the Durango Amateur Championship which can be filled. The committee is also addressing the tee selection of tournament participants as well as how flights are determined. They believe the changes they are preparing to put into place will be positive for players and encourage more participation.
- Golf Operations – Michael Anziano gave a written report with main highlight that priorities have shifted to opening day preparation. The POS system is working well and the new website will be rolled out shortly. The Policy & Procedures Manual / Employee Handbook are close to being finished and slated for review at the upcoming Board retreat. New merchandise is arriving daily and the downstairs storage room has been converted to the receiving and steaming area for new items for sale.

Future Initiatives include: Establishing an “Adopt a Golf Hole” program where up to 5 players would adopt a hole with the task of repairing ball marks on the green as they play the hole. Partnering with The Rochester Hotel for “Stay and Play” packages. Distributing 3 surveys throughout the season using a free Google survey tool to gather player opinion on various topics. A draft was provided to the Board for input.

- Policy / Bylaws – Bob Therrell reported there has been a lot of in-depth discussion on the Bylaws as pertaining to the Treasurer and Finance Committee roles and associated verbiage. He then read from the Bylaws what the Treasurer is supposed to do which was quite comprehensive in duties and has obvious overlap with the job description of the Finance Manager. Bob will bring a proposal for changes to the Board retreat on Saturday.
- Junior Golf Foundation – Michael reported conversations have started about sponsors. Activities will pick up upon Jim Fiala’s return in April.
- Ad Hoc Committee – Bill W. reported that the insurance claim is very close to being settled by end of March.

UNFINISHED BUSINESS:

- Employee Handbook / Club Policies & Procedures: Michael M. handed out draft copies for the Board to review ahead of the retreat.

CONSENT AGENDA: APPROVED WITHOUT DISCUSSION – NONE.

NEW BUSINESS:

- Board Retreat Saturday March 14 - Bryce handed out the draft agenda. Breakfast at 8 AM with meeting starting at 8:45.

CALENDAR ITEMS: Next regular Board Meeting Tuesday April 21 at 5:30PM.

ADJOURNMENT:

A motion to adjourn the meeting was made by Bill W. and seconded by Brian D. Meeting adjourned at 7:00 PM.

Respectfully submitted,

Marcia Baxter, Board Secretary